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Roberta Rosenthal Kwall

DePaul University College of Law, rkwall@condor.depaul.edu

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HOW FINE ART FARES POST VARA

ROBERTA ROSENTHAL KWALL*

I. INTRODUCTION

Moral rights safeguard an author's personal, as opposed to economic, interests in the appropriate integrity and attribution of her work. In those countries that have moral rights protection, the doctrine essentially encompasses three major components: the right of disclosure, the right of attribution, and the right of integrity.¹ Underlying the right of disclosure is the idea that the creator, as the sole judge of when a work is ready for public dissemination, is the only one who can possess any rights in an uncompleted work. The right of attribution, as its name suggests, safeguards an author's right to compel recognition for her work and to prevent others from naming anyone else as the creator. It also protects an author's negative rights of anonymity and pseudonymity.² The right of integrity lies at the heart of the moral rights doctrine, as it prohibits any alterations of an author's work that will destroy its spirit and character.³

* Professor of Law, DePaul University College of Law. A.B. 1977, Brown University; J.D. 1980, The University of Pennsylvania. E-mail: rkwall@condor.depaul.edu. I wish to thank the following attorneys who generously provided me with materials critical to the scope of this Article: Jennifer L. Hall, Office of the General Counsel, U.S. Copyright Office; Gale P. Elston, Elston, P.C.; and Daniel H. Weiner, Hughes Hubbard & Reed. I also wish to thank Professor Jeffrey L. Kwall for his suggestions on a prior draft of this Article. All errors, of course, are my own. Thanks also are due to DePaul University College of Law for supporting this research through a research leave in the fall, 1996 semester. Finally, I appreciate the research assistance of DePaul University College of Law students Rachel F. Calabro and Colleen Creamer-Fielkow and the clerical support of Lawrence Arendt. © Copyright 1997 by Roberta Rosenthal Kwall. Permission to photocopy for classroom use is hereby granted, conditioned on providing notice of such use to the author.

1. See Roberta Rosenthal Kwall, *Copyright and the Moral Right: Is An American Marriage Possible?*, 38 VAND. L. REV. 1 (1985) [hereinafter *An American Marriage*]; see also Russ VerSteeg, *Federal Moral Rights for Visual Artists: Contract Theory and Analysis*, 67 WASH. L. REV. 828 (Oct. 1992).

2. This component of the right of attribution guarantees that the use of an author's work will appear anonymously or under an appropriate pseudonym in instances where the author wishes to preserve her privacy. Sydney A. Diamond, *Legal Protection for the "Moral Rights" of Authors and Others Creators*, 68 TRADEMARK REP. 244, 254-55 (1978).

3. Some formulations of the moral rights doctrine also include the right to withdraw

It is most ironic that the United States lacks adequate moral rights protections while such protections are available in many European and Third World nations.⁴ Only in 1990 did Congress enact the Visual Artists Rights Act ("VARA") as an amendment to the 1976 Copyright Act.⁵ This provision provides very circumscribed federal statutory protection for the moral rights of visual artists⁶ by prohibiting unauthorized, intentional modifications to their works that will prejudice their honor and reputation. In addition, VARA safeguards an artist's right of attribution in situations not limited to intentional changes, but still does not guarantee an author the ability to exercise the rights of anonymity or pseudonymity.

Prior to VARA's enactment, the issue of moral rights had arisen in 1988 in conjunction with the United States' adherence to the Berne Convention for the Protection of Literary and Artistic Works,⁷ the oldest multilateral treaty governing copyright protection.⁸ The Berne

one's work from the public, the right to prevent excessive criticism, and the right to prevent assaults upon one's personality. See *An American Marriage*, *supra* note 1, at 5-16.

4. See *id.* app. at 97-100 (containing a listing of over thirty countries with moral rights protections as of 1981; even more countries currently have moral rights laws).

5. Visual Artists Rights Act of 1990, Pub. L. No. 101-650, 104 Stat. 5089; 5128-33 (1990) (codified in scattered sections of 17 U.S.C.). VARA was passed on December 1, 1990, and became effective on June 1, 1991, six months after its passage. See Pub. L. No. 101-650, tit. VI, § 610(a), 104 Stat. 5128 (Dec. 1, 1990).

6. 17 U.S.C. § 101 (1994).

A 'work of visual art' is—

(1) a painting, drawing, print, or sculpture, existing in a single copy, in a limited edition of 200 copies or fewer that are signed and consecutively numbered by the author, or, in the case of a sculpture, in multiple cast, carved, or fabricated sculptures of 200 or fewer that are consecutively numbered by the author and bear the signature or other identifying mark of the author; or

(2) a still photographic image produced for exhibition purposes only, existing in a single copy that is signed by the author, or in a limited edition of 200 copies or fewer that are signed and consecutively numbered by the author.

A work of visual art does not include—

(A)(i) any poster, map, globe, chart, technical drawing, diagram, model, applied art, motion picture or other audiovisual work, book, magazine, newspaper, periodical, data base, electronic information service, electronic publication or similar publication;

(ii) any merchandising item or advertising, promotional, descriptive, covering, or packaging material or container;

(iii) any portion or part of any item described in clause (i) or (ii);

(B) any work made for hire; or

(C) any work not subject to copyright protection under this title.

7. The Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853 (1988), became effective on March 1, 1989 [hereinafter Berne Implementation Act].

8. See generally Deborah Ross, *The United States Joins the Berne Convention: New Ob-*

Convention binds approximately ninety countries to a unitary copyright law system which is administered by the World Intellectual Property Organization.⁹ While Berne originally was "an attempt to create a universal international copyright law," it has become a "minimum protection instrument with an emphasis on national treatment and independent protection."¹⁰ As a result of the United States' adherence to Berne, American authors can now obtain increased copyright protection internationally. Our membership in the Berne Convention means that any work first published in the United States will be protected automatically in other Berne Countries.¹¹ Berne relies upon the specific legislation of the nations adhering to the treaty to govern substantive applications of its provisions within each of those nations. In the United States, adherence to the Berne Convention is not self-executing, which means that copyright protection is still achieved by bringing suit under the 1976 Copyright Act and not directly under the Berne Convention.¹²

Article 6bis of the Berne Convention recognizes the moral rights of attribution and integrity.¹³ When the United States joined Berne in 1988, the entertainment and publishing industries vehemently opposed the adoption of specific moral rights legislation as part of the United States' adherence to Berne.¹⁴ Moreover, Congress believed that no additional moral rights protections were needed in light of federal protections such as § 43(a) of the Lanham Act¹⁵ and § 106(2) of the Copyright Act,¹⁶ as well as existing common law principles.¹⁷ Several states also

ligations for Authors' Moral Rights?, 68 N.C. L. REV. 363, 387 (Jan. 1990).

9. Sam Ricketson, *The 1992 Horace S. Manges Lecture—People or Machines: The Berne Convention and the Changing Concept of Authorship*, 16 COLUM.-VLA J.L. & ARTS 1, 2 (1991).

10. Susan Stanton, Comment, *Development of the Berne International Copyright Convention and Implications of United States Adherence*, 13 HOUS. J. INT'L L. 149, 149 (1990).

11. See Jon A. Baumgarten & Christopher A. Meyer, *Effects of U.S. Adherence to the Berne Convention*, 37 Pat. Trademark & Copyright J. (BNA) 462 (1989). Some believe that because the United States is one of the most influential world powers and is a major exporter of intellectual property, its adherence strengthens the Berne Convention. See, e.g., Stanton, *supra* note 10, at 177.

12. Berne Implementation Act, *supra* note 7, § 2(1).

13. The Berne Convention originally was signed in 1886. Section 6bis, which incorporates moral rights, was added in 1928 during the Berne Convention's third revision. See *An American Marriage*, *supra* note 1, at 10-11 n.38 (brief history of both the Berne Convention and section 6bis).

14. See VerSteeg, *supra* note 1, at 834 n.34.

15. 15 U.S.C. § 1125(a) (1994). This provision of the Lanham Act essentially codifies federal law of unfair competition by prohibiting false designations of origin and false descriptions. See also *infra* note 242 and accompanying text.

16. See 17 U.S.C. § 106(2) (1994). This provision governs the right to prepare derivative works. See also *infra* notes 230, 234-35 and accompanying text.

had specific statutory moral rights protections for certain types of works, notably visual art.¹⁸

To put VARA in perspective, it should be emphasized that many of the statute's complications stem from the hasty manner in which the statute was enacted. When Congress ultimately enacted VARA, legislation which has been described as "one of the most extraordinary realignments of private property rights ever adopted by Congress,"¹⁹ there was little debate or discussion. Significantly, on the last day of the 101st Congress, a major bill was passed which authorized eighty-five new federal judgeships. Sponsors of this bill had to include several unrelated measures in order to appease senators who otherwise would oppose the federal judgeships bill. One such measure was VARA, which had already been passed by the House of Representatives but had been blocked in the Senate Judiciary Committee by some Republican Senators. Thus, VARA was passed by the full Senate only because those Republican senators acquiesced in light of their desire to pass the federal judgeships bill.²⁰ In light of this history, some embarrassing drafting of the legislation becomes understandable.²¹

When VARA was initially enacted, several commentators documented extensively VARA's deficiencies on a general level.²² Given that six years have passed since VARA's effective date, we can now begin to assess the impact of VARA on the visual arts community. This Article seeks to open this dialogue by exploring in depth some of the key issues which have surfaced under VARA.

17. These principles include state law doctrines such as unfair competition, breach of contract, defamation, and invasion of privacy. See Final Report of Ad Hoc Working Group on U.S. Adherence to the Berne Convention, 10 COLUM.-VLA J.L. & ARTS 513, 555 (1986); see also H.R. REP. No. 100-609, at 38 (1988).

18. These states included California, Connecticut, Massachusetts, Pennsylvania, Louisiana, Maine, New Jersey, New York, and Rhode Island. See *infra* notes 166-67, 204, 267-73 and accompanying text. After VARA's passage, New Mexico enacted some legislation limited to protecting art in public buildings. See *infra* notes 183-85 and accompanying text.

19. Geri J. Yonover, *The "Dissing" of DaVinci: The Imaginary Case of Leonardo v. DuChamp: Moral Rights, Parody, and Fair Use*, 29 VAL. U. L. REV. 935, 965-66 (Spring 1995).

20. See generally *id.*; see also George C. Smith, *Let the Buyer Beware; Artists' Moral Rights Trump Owners' Property Rights Under the Visual Artists Rights Act*, THE RECORDER, Jan. 10, 1991, at 4, available in LEXIS, News Library, Recrdr File.

21. Editors, *The 101st Congress: A Review of Amendments to the Copyright Act*, 37 J. COPYRIGHT SOC'Y 462, 466 (1990).

22. See, e.g., Edward J. Damich, *The Visual Artists Rights Act of 1990: Toward a Federal System of Moral Rights Protection for Visual Art*, 39 CATH. U. L. REV. 945 (1990); Joseph Zuber, *The Visual Artists Rights Act of 1990—What it Does, and What it Preempts*, 23 PAC. L.J. 445 (1992); Robert A. Gorman, *Visual Artists Rights Act of 1990*, 38 J. COPYRIGHT SOC'Y 233 (1990).

II. THE LITIGATED ISSUES

The main provisions of VARA that have been the subject of litigation are the work made for hire exclusion,²³ the interpretation of certain qualifying phrases such as "prejudicial to honor or reputation"²⁴ and "work of recognized stature,"²⁵ and the preemption provisions.²⁶ Another issue which has surfaced is whether VARA effectuates a taking.²⁷ This Section explores the relevant litigation and provides commentary on the analytical framework required for evaluating these issues.

A. *The Work Made for Hire Exclusion*

VARA is narrowly drawn, providing protection only to creators of works of visual art, which is defined to include paintings, drawings, prints, sculptures, or photographs produced for exhibition purposes, existing in either a single copy or limited editions of 200 or fewer copies.²⁸ Excluded from the definition of "work of visual art" are items such as posters, technical drawings, applied art, motion pictures and other audio-visual works, books, magazines, newspapers, data bases, electronic publications, advertising material, and works made for hire.²⁹

The most significant case decided under VARA to date involves VARA's exclusion of works made for hire from the definition of "visual art."³⁰ In *Carter v. Helmsley-Spear, Inc.*,³¹ the Second Circuit reversed the district court's determination that the plaintiff artists' "walk-through" sculpture, which occupied the majority of the lobby of the defendants' building, was not a work made for hire. The sculpture had a recycling motif and consisted of numerous elements of recycled matter that were affixed to the walls and ceiling and an expansive mosaic embedded in the floor and walls which was made from pieces of recycled

23. See, e.g., *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 33 U.S.P.Q.2d (BNA) 1225 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

24. See, e.g., *id.*

25. *Id.*

26. See, e.g., *Pavia v. 1120 Ave. of Americas Assocs.*, 901 F. Supp. 620, 36 U.S.P.Q.2d (BNA) 1622 (S.D.N.Y. 1995).

27. See, e.g., *Carter*, 861 F. Supp. 303, 33 U.S.P.Q.2d (BNA) 1225.

28. See 17 U.S.C. § 101 (1994), *supra* note 6 (definition of a "work of visual art"); see also *infra* notes 206-07 and accompanying text.

29. 17 U.S.C. § 101.

30. *Id.*

31. 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

glass.³² The sculpture was installed pursuant to an agreement between the plaintiffs and the building's net lessee, the defendants' predecessor. The agreement called for the plaintiffs to design, create, and install sculpture and granted the plaintiffs "full authority in design, color and style."³³ The defendants' predecessor retained the authority to "direct the location and installation of the art work within the building."³⁴ After taking over the management of the building, the defendants informed the plaintiffs that they could no longer continue to install the art work and also implied that they intended to alter or remove the art work already installed in the building's lobby. After a bench trial, the lower court granted the plaintiffs a permanent injunction enjoining the defendants from removing, modifying, or destroying the art work for the duration of the lifetimes of the three plaintiffs.³⁵ The Second Circuit reversed on the ground that the sculpture was a work made for hire, thus effectively precluding the application of VARA to the plaintiffs' lawsuit.

Although both the Second Circuit and the district court applied the work made for hire test articulated by the Supreme Court in *Community for Creative Non-Violence v. Reid*,³⁶ the two courts reached different results. In *Reid*, the Court endorsed the common law agency test for determining whether a work is one made for hire and adopted a long list of factors relevant to determining whether a hired party is an employee under the general common law of agency or an independent contractor.³⁷ Relying on these factors, the district court held that the plaintiffs were independent contractors. In so holding, the district court focused primarily on the following: the artistic freedom enjoyed by the plaintiffs, the level of skill required to create the art work, the absence of additional assigned projects unrelated to the work the plaintiffs were hired to produce, the absence of a prior relationship between the parties, the finite duration of the plaintiffs' work relationship with the defendants and their predecessors, the significant discretion exercised by the plaintiffs regarding their work hours, and the fact that cre-

32. *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 33 U.S.P.Q.2d (BNA) 1225 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

33. *Carter*, 71 F.3d at 80, 37 U.S.P.Q.2d (BNA) at 1022.

34. *Id.*

35. *Id.* at 81, 37 U.S.P.Q.2d (BNA) at 1022. The lower court also dismissed the plaintiffs' claims for tortious interference and their requests to add to the art work in the lobby and to be awarded costs and attorney's fees, as well as the defendants' counterclaim for waste. *Id.*

36. 490 U.S. 730, 10 U.S.P.Q.2d (BNA) 1985 (1989).

37. *Id.* at 751, 10 U.S.P.Q.2d (BNA) at 1991.

ating art was not part of the hiring party's regular business.³⁸ In addition, the district court was persuaded that the plaintiffs' ownership of the copyright to the work was indicative of their independent contractor status.³⁹

Concluding that some of the district court's factual findings were clearly erroneous, the Second Circuit reversed the work made for hire determination.⁴⁰ Although the appellate court agreed that the plaintiffs were highly skilled and enjoyed artistic freedom, and that the presence of this freedom "remain[ed] a central factor,"⁴¹ it found the application of other factors more persuasive. Specifically, the court held that the facts did not support the lower court's determination that the defendants could not assign the plaintiffs projects in addition to the principal sculpture and that the provision of employee benefits and the plaintiffs' tax treatment strongly favored treating the sculpture as a work made for hire.⁴² Moreover, by rejecting the district court's conclusion that the plaintiffs' ownership of the copyright was a "plus factor," the court "put off for another day deciding whether copyright ownership is probative of independent contractor status."⁴³

According to *Reid*, the overall consideration in distinguishing an employee from an independent contractor is whether the hiring party has the right to control "the manner and means by which the product is accomplished."⁴⁴ This observation is somewhat ironic in that the Court rejected a work made for hire test that focused on the right to control as the exclusive criterion.⁴⁵ Thus, the *Reid* court appeared to believe

38. See generally *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 317-21, 33 U.S.P.Q.2d (BNA) 1225, 1231-35 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

39. *Id.* at 321-22, 33 U.S.P.Q.2d (BNA) at 1235-36. The district court discounted the fact that the tax treatment of the plaintiffs, their method of payment, and their receipt of some benefits supported the defendants' work made for hire argument. *Id.*

40. Before discussing the work made for hire issue, the Second Circuit affirmed the district court's ruling that the sculpture should be considered as a single, indivisible work of art rather than as separate works. *Carter*, 71 F.3d at 84, 37 U.S.P.Q.2d (BNA) at 1025.

41. *Id.* at 86, 37 U.S.P.Q.2d (BNA) at 1027.

42. The plaintiffs were paid a weekly salary and two of them filed for unemployment benefits after their positions were terminated and listed the building's management company as their former employer. *Id.* at 87, 37 U.S.P.Q.2d (BNA) at 1027. The court also emphasized that the plaintiffs were provided with many supplies, they could not hire paid assistants absent the defendants' approval, and the duration of their work had continued for over two years with no exact termination date set. *Id.*, 37 U.S.P.Q.2d (BNA) at 1028.

43. *Id.*, 37 U.S.P.Q.2d (BNA) at 1027-28.

44. *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 751, 10 U.S.P.Q.2d (BNA) 1985, 1995 (1989).

45. *Id.* at 741-42, 10 U.S.P.Q.2d (BNA) at 1990-91. The right to control test concludes

that the hiring party's "right to control" was still the paramount inquiry even under the common law agency approach it adopted. In light of this interpretation of *Reid*, the Second Circuit's discounting of the plaintiffs' artistic freedom in *Carter* is suspect.⁴⁶ Even the Second Circuit seemed to recognize that its decision was somewhat questionable because it felt the need to defend its conclusion against the strong showing of artistic freedom.⁴⁷ The court's logic is even more questionable in light of its recognition that "payroll formalities alone" should not "be controlling":

We also recognize that by counting indicia such as health insurance and paid vacations against the artists' independent contractor status, it may appear that artists regrettably are being forced to choose between the personal benefits inuring in an employment relationship and VARA's protection of the artists' work afforded only to independent contractors.⁴⁸

Thus, the court essentially predicated its opinion that the sculpture was a work made for hire on the combination of these formalities and the existence of additional projects assigned to the plaintiffs, the weekly salary paid to the plaintiffs, the defendants' furnishing the plaintiffs with needed supplies, and the need for the plaintiffs to obtain the de-

that whenever a hiring party retains the right to control the product, the work is considered to be prepared by an employee within the scope of her employment rather than by an independent contractor. *Id.* at 738, 10 U.S.P.Q.2d (BNA) at 1980. The Supreme Court rejected the right to control test because it contradicted the language of the definition of a work made for hire in § 101(1) of the Copyright Act which "focuses on the relationship between the hired and hiring parties." *Id.* at 741, 10 U.S.P.Q.2d (BNA) at 1990. The statute provides that a "work made for hire" is "a work prepared by an employee within the scope of his or her employment." 17 U.S.C. § 101(1) (1994). Also, the Court noted that the right to control test would distort the meaning of the second part of the definition of a work made for hire which governs specially ordered or commissioned works. Section 101(2) provides that such works can be deemed works made for hire if they fall within one of the nine specified categories and are the subject of a written instrument. The right to control test would, according to the Court, undermine the distinction between §§ 101(1) and (2) by allowing any specially ordered or commissioned work to be a work made for hire as long as the work in question was subject to the requisite supervision and control by the hiring party. *Reid*, 490 U.S. at 741, 10 U.S.P.Q.2d (BNA) at 1990.

46. *Carter v. Helmsley-Spear, Inc.*, 71 F.3d 77, 86, 37 U.S.P.Q.2d (BNA) 1020, 1026-27 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

47. The court stated:

Again, we emphasize that despite the conclusion reached we do not intend to marginalize factors such as artistic freedom and skill, making them peripheral to the status inquiry. The fact that artists will always be retained for creative purposes cannot serve to minimize this factor of the *Reid* test, even though it will usually favor VARA protection.

Carter, 71 F.3d at 87, 37 U.S.P.Q.2d (BNA) at 1028.

48. *Id.*

defendants' consent to hire assistants.⁴⁹

The Second Circuit arguably assigned too much weight to these additional factors in a situation where no dispute existed that substantial control was exercised by the plaintiff artists. The fact that the plaintiffs performed other related art tasks in the building, that they were paid on a weekly basis, were furnished with supplies by the defendants, and could not hire assistants without the defendants' consent still could be consistent with interpreting their status as independent art consultants. After all, methods of payment and even support staff and supply procedures can vary from situation to situation. The Second Circuit never expressly stated why these factors, even taken together, should outweigh the strong showing of artistic skill and control. Nor did the court explain its decision to refrain from determining the significance of the fact that the plaintiffs actually owned the copyright in the sculpture. Although the Second Circuit did not explicitly so state, it may have reached the result it did because it was troubled by the prospect of allowing the work to remain in a lobby for a long period of time when the original agreement was entered into by a net lessee of the building, rather than by the building's owner.⁵⁰

In most instances in which the work made for hire determination is made, it is precisely copyright ownership that is at issue.⁵¹ In *Carter*, ownership was not contested, and the court's refusal to analyze why this factor should not be considered in a work made for hire determination under VARA underscores the court's desire to mold the work

49. In light of this holding, the court did not reach the remaining issues considered by the district court such as the scope of VARA's protection and whether the statute's application effectuates a taking. *Id.* at 88, 37 U.S.P.Q.2d (BNA) at 1028.

50. The district court had observed that although the "defendants' agents were aware that the [artwork] was being installed and did not object," it added that "to the extent that the defendants believe that the former net lessee's actions were impermissible, they must seek redress against the former net lessee for any damages defendants claim to have sustained." *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 328, 33 U.S.P.Q.2d (BNA) 1225, 1241 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

51. Although most work made for hire decisions do involve the issue of copyright ownership, there are other consequences that attach to a determination that a work is a work made for hire. The application of VARA is one such example, but other copyright issues also exist. When a work made for hire has been licensed, that license is not subject to termination under § 203 of the Copyright Act. 17 U.S.C. § 203 (1994). Also, the employer of a work made for hire can exercise the renewal right under § 304(a), as opposed to the actual author or her statutory successors. *Id.* § 304(a). The duration of copyright protection also is different for works for hire. Compare § 302(c) (protection lasts for works for hire for seventy-five years from publication or one hundred years from creation, whichever expires first) with § 302(b) (for regular works, protection lasts for the life of the author plus fifty years).

made for hire test and its application according to its own preference. Thus, it seems as though the court, notwithstanding its observations to the contrary, was significantly influenced by the defendants' provision of benefits. Although a prior case in the Second Circuit had concluded that "every case since *Reid* that has applied the [work made for hire] test has found the hired party to be an independent contractor where the hiring party failed to extend benefits or pay social security taxes,"⁵² it does not follow that the provision of these benefits compels the conclusion that the author's work should be deemed a work made for hire. Moreover, other courts have questioned attributing an unwarranted significance to this factor.⁵³

Carter illustrates that the application of the work made for hire doctrine pursuant to the *Reid* factors provides courts with a tremendous degree of discretion and the ability to mold the legal reasoning to fit the court's desired outcome. Moreover, in *Reid* the Court was concerned with the issue of copyright ownership, an issue that was undisputed in *Carter*. It is not self-evident that the best means of resolving a VARA dispute is by invoking a legal framework designed to deal with the ownership question in the completely different context of moral rights. Although the Second Circuit in *Carter* was somewhat constrained in this regard in light of VARA's specific exclusion of works made for hire from its coverage, at least it could have considered whether copyright ownership is "probative of independent contractor status" rather than put this issue "off for another day."⁵⁴

An even better solution, however, would be for Congress to amend VARA by eliminating the express exclusion of works made for hire from coverage. When the work made for hire doctrine was adopted as part of the 1976 Copyright Act, Congress made the decision to reject the proposals of motion picture screen writers and composers who sought an amendment that would have given the employer the right to use the employee's work as needed for business purposes while allowing the employee to retain all rights in the work as long as she refrained from authorizing competing uses.⁵⁵ In contrast, most European coun-

52. *Aymes v. Bonelli*, 980 F.2d 857, 863, 25 U.S.P.Q.2d (BNA) 1181, 1185 (2d Cir. 1992).

53. *See, e.g., Respect, Inc. v. Committee on the Status of Women*, 815 F. Supp. 1112, 1118-19, 26 U.S.P.Q.2d (BNA) 1846, 1851 (N.D. Ill. 1993) (withholding of payroll taxes by itself did not preclude independent contractor status as a matter of law).

54. *Carter v. Helmsley-Spear, Inc.*, 71 F.3d 77, 87, 37 U.S.P.Q.2d (BNA) 1020, 1028 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996). *See also supra* note 43 and accompanying text.

55. *See An American Marriage supra* note 1, at 57-60.

tries do not have a work made for hire doctrine providing corporate employers with the copyrights to their employees' works.⁵⁶ Although the American approach of presuming initial ownership in the employer arguably can be justified when economic rights such as copyrights are at issue, there is no reason why an employee author must lose her personal rights to her creation. Such a result directly conflicts with the underlying theory of moral rights, which safeguards both the author's interest in preserving the artistic integrity of her work as well as society's interest in preserving its cultural heritage.⁵⁷ Moreover, the work made for hire exclusion can have a tremendous impact in practice, since the Copyright Office has recognized that such works made for hire "may account for a number of major art works, including major commissions, installed works and works incorporated into buildings."⁵⁸

Instead of adopting a blanket work made for hire exclusion, VARA could provide that authors generally have moral rights, but the exercise of these rights with respect to works made for hire might be subject to limitations in certain instances. No compelling reason exists for automatically preventing an employee/author from exercising a right of attribution.⁵⁹ Similarly, permitting the exercise of the right of integrity also may be reasonable for employees/authors in many instances. Thus, VARA could make "reasonableness" the touchstone and offer a list of relevant factors as guidelines.⁶⁰ For example, the author's interest in preserving the integrity of her work and compelling attribution could be weighed against the employer's interest in bearing the financial risk of the creation process. This approach is preferable because it does not make the work made for hire determination the ultimate inquiry but instead focuses on the feasibility of exercising the author's

56. Note, *Visual Artists Rights in a Digital Age*, 107 HARV. L. REV. 1977, 1982 n.29 (1994). Also, civil law countries have not recognized nonhuman authors historically. *Id.* See also Jane Ginsburg, *Reforms and Innovations Regarding Authors' and Performers' Rights in France: Commentary on the Law of July 3, 1985*, 10 COLUM-VLA J.L. & ARTS 83, 88-89 (1985) (noting that French law does not recognize the work made for hire concept except for computer programs).

57. See *infra* notes 101-04.

58. Final Report of the Register of Copyrights, *Waiver of Moral Rights in Visual Art Works* at xv (Mar. 1, 1996) [hereinafter Final Report]. Copies of the Final Report can be obtained for a small fee from the Superintendent of Documents in Pittsburgh, PA (FAX: 202-512-2250). The stock number is: S/N 030-002-0085-3.

59. See Edward J. Damich, *The Visual Artists Rights Act of 1990: Toward a Federal System of Moral Rights Protection for Visual Art*, 39 CATH. U. L. REV. 945, 988-89 (1990).

60. See Mary Wyburn, *The Attorney-General's Department's Moral Rights Discussion Paper: Background and Proposals*, 23 AUSTL. BUS. L. REV. 318, 329-34 (1995) (advocating a similar approach for Australia based on the Canadian model).

moral rights in a particular instance.

Had this approach been invoked in *Carter*, the analysis and perhaps even the outcome would have been different. The opinions in *Carter* did not expound on the reasons prompting the defendants' proposed removal and modifications. However, two of the artists told the Copyright Office that they believed the work would be permanent, and, therefore, it was built with great stability.⁶¹ The art experts who testified uniformly agreed that removing the art work would cause its destruction.⁶² In contrast, Thomas Schwartz, Vice-President of defendant Helmsley-Spear, Inc., commented that permanent art decreases the value of the building as if it were hazardous material.⁶³ Rather than make the employment relationship the pivotal inquiry, these comments suggest that a more viable line of analysis is whether the exercise of an author's moral rights is reasonable in light of the expected economic damage to the defendant employer.

B. The Limitation of Integrity Violations to Intentional Actions that are Prejudicial to the Plaintiff's Honor or Reputation

In *Carter*, the district court also had the opportunity to apply the provision of VARA which allows an author to "prevent any intentional distortion, mutilation, or other modification of that work which would be prejudicial to his or her honor or reputation."⁶⁴ Although the terms

61. Copyright Office: *Waivers of Moral Rights Are Considered at Public Hearing*, 50 Pat. Trademark & Copyright J. (BNA) 224, 225 (June 29, 1995).

62. At the hearing for a preliminary injunction, the court observed that the dismantling of the sculpture from the lobby would cause its destruction. *Carter v. Helmsley-Spear, Inc.*, 852 F. Supp. 228, 235, 31 U.S.P.Q.2d (BNA) 1273, 1279 (S.D.N.Y. 1994). See also *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 325 n.11, 33 U.S.P.Q.2d (BNA) 1225, 1238 n.11 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

63. See Final Report, *supra* note 58, at 146; see also Copyright Office, *supra* note 61, at 225.

64. 17 U.S.C. § 106A(a)(3)(A) (1994). In this respect VARA is more narrow than some state moral rights statutes which presume that any alteration will harm an author's honor or reputation. See, e.g., CAL. CIV. CODE §§ 987-990 (West 1982 & Supp. 1995); Mass. Gen. Laws Ann. ch. 231, § 85S (West 1994 & Supp. 1996); and N.M. STAT. ANN. §§ 13-4B-1 to 13-4B-3 (Michie 1978 & Supp. 1996). This difference is significant with respect to the issue of preemption. See *infra* notes 163-86 and accompanying text. Although some commentators have noted that the "prejudicial to his ... honor or reputation" qualification can be interpreted as applying only to "other modification" rather than "distortion" as well as "mutilation," the more logical interpretation is to apply this caveat to all three examples listed in the statute. See 2 MELVILLE B. NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 8D.06[C][1], at 8D-76 (1995). This qualification stems from Article 6bis of the Berne Convention. See *infra* note 192 and accompanying text. VARA also grants the author "the right to prevent the

“honor,” “reputation,” and “prejudicial” are not defined in VARA, the court saw little difficulty with their application in light of their “readily understood meanings.”⁶⁵ Specifically, the court considered whether the proposed alteration “would cause injury or damage to plaintiffs’ good name, public esteem, or reputation in the artistic community,” and emphasized that the focus of the author’s reputation should derive from the art work in question.⁶⁶

Issues that are likely to arise in connection with this caveat are how it should be applied when the plaintiff enjoys an already established reputation and when the defendant’s activity results in increased exposure and publicity for the artist. Although these issues have not yet been litigated under VARA, they did arise in connection with a decision construing the New York Artists’ Authorship Rights Act, which prohibits the display of modified art in a manner that is likely to damage the artist’s reputation.⁶⁷

In *Wojnarowicz v. American Family Association*,⁶⁸ the court grappled with an action by a controversial multimedia artist to enjoin the defendants’ publication of a pamphlet calling for the cessation of public funding by the National Endowment for the Arts. The pamphlet contained fourteen photocopies of fragments of the plaintiff’s sexually explicit art believed by the defendants to be most offensive to the public. In applying the New York moral rights statute, the court rejected the defendants’ argument that their pamphlet actually increased interest in the plaintiff’s art work, based on credible testimony that the defendants’ actions could reasonably result in jeopardizing “the monetary value of plaintiff’s works” and impairing “plaintiff’s professional and personal reputation.”⁶⁹ Moreover, the court observed that, because the

use of his or her name as the author ... in the event of a distortion, mutilation, or other modification of the work which would be prejudicial to his or her honor or reputation.” 17 U.S.C. § 106A(a)(2). Therefore, the determination of prejudice also must be made in the context of violations of the right of attribution.

65. *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 323, 33 U.S.P.Q.2d (BNA) 1225, 1236 (S.D.N.Y. 1994), *rev’d*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

66. *Id.* The legislative history also indicates that the appropriate standard for evaluating an author’s reputation is not analogous to showing reputation in a defamation case, and that any evidence with regard to such a showing is “irrelevant.” See H.R. REP. No. 101-514, at 15 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6925.

67. N.Y. ARTS & CULT. AFF. LAW §§ 14.03 (McKinney 1996).

68. 745 F. Supp. 130, 17 U.S.P.Q.2d (BNA) 1337 (S.D.N.Y. 1990).

69. *Id.* at 139, 17 U.S.P.Q.2d (BNA) at 1344. The court heard testimony that museums would avoid plaintiff’s work because the pamphlet implies that plaintiff’s work consists primarily of explicit homosexual activity. Absent museum shows, the market for plaintiff’s art work could decline. *Id.*

plaintiff was not a well-established artist, his reputation was not sufficiently strong to withstand controversy unlike more renowned artists who had the support of investors with substantial interest in protecting their investments.⁷⁰

Situations can and do arise in which a defendant's alteration of a work perverts the author's artistic integrity, but nonetheless stimulates interest in the original work. VARA should be interpreted to make such intentional alterations actionable. Moral rights protect an author's personal, rather than economic, interests. The fact that an alteration increases interest in an author's work is irrelevant if it derives from an alteration which is destructive of the work's spirit and character. Therefore, even if a given alteration by a defendant results in increased publicity for or interest in a particular author's work, a violation of VARA still should be sustained if the defendant's action is an intentional alteration which is prejudicial to the plaintiff's honor or reputation.⁷¹

C. Integrity Violations Due to Destruction of Works of "Recognized Stature"

VARA provides that an author has the right "to prevent any destruction of a work of recognized stature, and any intentional or grossly negligent destruction of that work is a violation of that right."⁷² In contrast to the provision discussed above which prohibits modifications to a covered work, the destruction provision is not qualified by the caveat that it be prejudicial to the author's honor or reputation. Presumably, this omission underscores that all destructions are so prejudicial. Nonetheless, the convoluted language of the destruction provision creates several interpretative difficulties. First, it is significant that VARA does not define "recognized stature." In *Carter*, the district court observed that the goal of this provision is to prevent the destruction of art work whose loss would be socially significant.⁷³ Therefore, the court in-

70. *Id.*

71. In *Wojnarowicz*, the court seemed to reject the defendants' assertion that its pamphlet resulted in an increased interest in the plaintiff's work, *see supra* note 69 and accompanying text; but even if the testimony supported this position, the court still should have found a violation of the New York statute as a result of the likely damage to the artist's reputation stemming from the defendants' reproduction of cropped, unrepresentative segments of the plaintiff's work. *See Wojnarowicz*, 745 F. Supp. at 139, 17 U.S.P.Q.2d (BNA) at 1345.

72. 17 U.S.C. § 106A(a)(3)(B) (1994).

73. *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 324, 33 U.S.P.Q.2d (BNA) 1225, 1237 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

terpreted the "recognized stature" requirement as "a gate-keeping mechanism" affording protection only to art work "that art experts, the art community, or society in general views as possessing stature."⁷⁴ Thus, the court required that a plaintiff make a two-tiered showing to satisfy VARA's "recognized stature" requirement: "(1) that the visual art in question has 'stature,' i.e. is viewed as meritorious, and (2) that this stature is 'recognized' by art experts, other members of the artistic community, or by some cross-section of society."⁷⁵ To obtain injunctive relief, a plaintiff also must show that the defendant either has begun, or intends to begin, the destruction of the art work in question.⁷⁶

The two clauses of the destruction provision also create a puzzling dichotomy. The first clause of the relevant statutory language appears to provide that an author has the right to *prevent* any destruction of a work of recognized stature. The state of mind of the destroyer appears to be irrelevant, therefore this provision would also presumably cover destruction through simple negligence (although any destruction that is capable of being prevented would probably be characterized as intentional rather than negligent).⁷⁷ The second clause of the statutory language is confusing, however, in that it also provides that a right of integrity violation is established by "any intentional or grossly negligent destruction."⁷⁸ Clearly the destruction provision, unlike the modification provision, provides for a cause of action in cases of grossly negligent behavior. The unanswered question, however, is whether a destruction which occurs through simple negligence also constitutes an integrity violation giving rise to damages.

VARA should not be interpreted to provide a cause of action for destruction resulting from simple negligence because the statute does not specifically provide for this possibility. *Lubner v. Los Angeles*⁷⁹

74. *Id.* at 325, 33 U.S.P.Q.2d (BNA) at 1237.

75. *Id.*, 33 U.S.P.Q.2d (BNA) at 1238. The court recognized that generally plaintiffs would use expert witnesses to testify regarding the "recognized stature" of the works in question. Such experts might include the opinions of other artists, art dealers, art collectors, as well as other persons involved with the "creation, appreciation, history, or marketing of works of recognized stature." *Id.* at n.10.

76. *Id.* The lower court in *Carter* determined that the plaintiffs satisfied all of the required elements for establishing that the art work was of "recognized stature." *Id.*, 33 U.S.P.Q.2d (BNA) at 1239.

77. In the *Carter* opinion which granted the plaintiffs preliminary injunctive relief, the court assumed, but did not conclusively decide, that a presumption of irreparable harm existed with respect to the prospective destruction of the sculpture. *Carter v. Helmsley-Spear, Inc.*, 852 F. Supp. 228, 232, 31 U.S.P.Q.2d (BNA) 1273, 1276 (S.D.N.Y. 1994).

78. 17 U.S.C. § 106A(a)(3)(B) (1994).

79. 53 Cal. Rptr. 2d 24 (Ct. App. 1996).

raised this issue. In that case, two artists lost much of their work when a city trash truck that was parked at the top of a hill rolled down and crashed into their home. The plaintiffs filed a negligence action against the city for property damage exceeding the limits of their insurance policy and for emotional distress and loss of reputation under the California moral rights statute.⁸⁰ The appellate court affirmed the trial court's ruling that the plaintiffs could not recover for reputational damage under the California statute⁸¹ because it does not "permit a cause of action for damages for the destruction of fine art due to simple negligence."⁸² Moreover, in discussing the possibility that the California statute is preempted by VARA, the court suggested that the language of the destruction provision in VARA limits recovery for destruction of visual art to intentional or grossly negligent destruction.⁸³ Though the court stopped short of concluding that preemption was appropriate, it stated that the result of preemption would be to bar the plaintiffs' action against the city based on simple negligence.⁸⁴

D. Does VARA Effectuate an Unconstitutional Taking?

The passage of VARA significantly altered the rights of copyright owners as well as owners of lawfully made copies of art work covered by VARA. Thus, whether VARA effectuates a taking must be addressed. VARA applies to works created after VARA's effective date as well as to works created before its effective date, but only if the author had not transferred title to the work as of the statute's effective date.⁸⁵ Moreover, regarding works created prior to VARA's effective date, VARA does not apply "to any destruction, distortion, mutilation or other modification" which occurred prior to the statute's effective date.⁸⁶ Interestingly, the statutory language leaves open the possibility that violations of the right of attribution which occurred prior to the

80. The California Art Preservation Act, CAL. CIV. CODE §§ 987(a) (West 1982 & Supp. 1995) (providing that "physical alteration or destruction of fine art, which is an expression of the artist's personality, is detrimental to the artist's reputation, and artists therefore have an interest in protecting their works of fine art against any alteration or destruction ...").

81. The appellate court also affirmed the trial court's ruling that emotional distress damages were not permitted in property damage cases. *Lubner*, 53 Cal. Rptr. 2d at 26.

82. *Id.*

83. *Id.* at 29. See also *infra* note 203.

84. *Lubner*, 53 Cal. Rptr. 2d at 26.

85. Pub. L. No. 101-650, tit. VI, § 610(b) 104 Stat. 5128 (Dec. 1, 1990). See also *supra* note 5 and accompanying text.

86. *Id.* § 610(b).

statute's effective date are actionable.⁸⁷ The constitutionality of VARA therefore can be addressed in two contexts: first, whether the statute as applied prospectively so alters ownership expectations that it deprives people of their property without just compensation; and, second, whether a retroactive application of the statute regarding previously occurring violations of the right of attribution effectuates a taking.

Carter involved a prospective application of the statute as the sculpture at issue was created after VARA's effective date. In that case, the defendants argued that VARA was unconstitutional because it allowed a third party, the building's net lessee, the right to control the use of the defendants' property. Initially, the district court in *Carter* rejected the argument that VARA was facially invalid.⁸⁸ In this respect, the court emphasized that VARA does not authorize a permanent occupation since the statute's protections only apply during the plaintiff artists' lifetimes,⁸⁹ and that the statute does not authorize a physical invasion but simply affords protection to certain art installed in buildings after the statute's effective date.⁹⁰ Moreover, drawing from the takings law as articulated by the Supreme Court in *Penn Central Transportation Co. v. New York City*,⁹¹ the district court in *Carter* emphasized the following factors typical of a takings analysis: VARA is designed to further the public interest; because VARA does not apply retroactively and it contains a waiver provision, it does not disproportionately burden the class to which defendants belong;⁹² it leaves the property owner with other strands in the bundle of ownership rights by leaving virtually all of the commercial value of the property intact;⁹³ and it provides reciprocal benefits to property owners by allowing them to benefit generally from the preservation of cultural resources and specifically from the added

87. See *infra* note 148 and accompanying text.

88. *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 328, 33 U.S.P.Q.2d (BNA) 1225, 1240 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

89. See 17 U.S.C. §§ 106A(d), 113(d) (1994).

90. See *Carter*, 861 F. Supp. at 327-29, 33 U.S.P.Q.2d (BNA) at 1239-41.

91. 438 U.S. 104 (1978).

92. See 17 U.S.C. §§ 106A(e), 113(d)(1) (1994). Section 106A(e) allows authors of covered visual art to waive their rights of attribution and integrity by expressly so agreeing in a written instrument signed by the author. Section 113(d)(1) permits authors of pictorial, graphic, and sculptural works, whose works of visual art have been incorporated in or made part of a building, to waive their rights of protection against destruction, distortion, or other modifications of their works by agreeing to such a waiver in a writing signed by both the author and the owner. See also *supra* part III.

93. The court noted that in this case, the property in question had regularly been leased to paying tenants. *Carter*, 861 F. Supp. at 328, 33 U.S.P.Q.2d (BNA) at 1240.

commercial value to their property as a result of the installed art work.⁹⁴

In *Carter*, the defendants also argued that the statute was unconstitutional as applied to their situation because it allowed the net lessee, the original party to the agreement with the plaintiffs, to occupy permanently the defendants' building. In this regard, the defendants relied on *Loretto v. Teleprompter Manhattan CATV Corporation*,⁹⁵ in which the Supreme Court held that a permanent physical occupation authorized by the government constitutes a taking.⁹⁶ In rejecting this analogy, the *Carter* court again emphasized the temporary and prospective nature of VARA's application.⁹⁷ Moreover, in this case, the defendants' agents were aware of the work's installation, but did not object. Therefore, any cause of action by the defendants would be against the former net lessee rather than the plaintiff artists.⁹⁸

As discussed above, the Second Circuit reversed *Carter's* work made for hire determination and, thus, obviated the need for the court's review of the takings question.⁹⁹ Since the constitutionality of VARA is likely to arise in other cases, however, a few observations regarding the district court's analysis of the takings issue is in order. In general, the district court's conclusion that VARA does not effectuate a taking is correct, although some of its reasoning could have been better crafted. To escape the conclusion that VARA effectuates a taking, the statute must be shown to further a public interest or yield an advantage to the public. According to *Carter*, VARA meets this requirement because it was specifically designed to further the public interest.¹⁰⁰ In this respect, the court was absolutely on point. Moral rights provisions generally can be justified on two grounds: (1) the personal rights of creators are deserving of protection; and (2) society has an interest in preserving its cultural heritage.¹⁰¹

It can be argued that the first justification furthers a public interest because increased protection for creators will ultimately benefit society by increasing the number of quality, creative endeavors. This argument was made by sculptor Weltzin Blix in a hearing before the House Judiciary Subcommittee on Courts, Intellectual Property, and the Admini-

94. *Id.*

95. 458 U.S. 419 (1982).

96. *Id.* at 426.

97. *Carter*, 861 F. Supp. at 328, 33 U.S.P.Q.2d (BNA) at 1240.

98. *Id.* at 329, 33 U.S.P.Q.2d (BNA) at 1241.

99. See *supra* note 35 and accompanying text.

100. *Carter*, 861 F. Supp. at 328, 33 U.S.P.Q.2d (BNA) at 1240.

101. See also *infra* notes 102-03 and accompanying text.

stration of Justice prior to VARA's passage.¹⁰² Perhaps even more indicative of a legitimate public interest is the second justification which focuses on society's interest in preserving its cultural heritage. Clearly, the public has a right to enjoy the fruits of a creator's labors in original form and to learn cultural history from such creations. This justification is analogous to that which supports landmark preservation laws which "enhance the quality of life by preserving the character and desirable aesthetic features of a city."¹⁰³ There is no doubt that a city's "objective of preserving structures and areas with special historic, architectural, or cultural significance is an entirely permissible governmental goal."¹⁰⁴ The public benefit in preserving society's cultural heritage is no less compelling than that which is involved in preserving a locality's landmarks. The critical question, however, is whether VARA sufficiently furthers this legitimate public interest to avoid categorization as a taking.

In *Carter*, the district court addressed the constitutionality of § 113(d), the provision of VARA governing art work installed in buildings.¹⁰⁵ The court in *Carter* repeatedly emphasized that VARA does not constitute a taking because the statute does not contemplate that the art work will remain in the building permanently, but only for the lifetime of the author.¹⁰⁶ In this regard, *Carter's* analysis was somewhat flawed in that the court ignored the irrelevancy of the temporary nature of the government's action. In *First English Evangelical Lutheran Church v. County of Los Angeles*,¹⁰⁷ the Supreme Court held that since a temporary physical taking requires compensation, so does a

102. H.R. REP. No. 101-514, at 6 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6916 ("If there exists the real possibility that the fruits of [artists'] effort will be destroyed after a mere ten to twenty years the incentive to excel is diminished and replaced with a purely profit motivation."). Although this argument may have some merit, its acceptance entails some degree of speculation. It is difficult to know how many more people would be inclined to spend the long hours necessary to complete successfully creative endeavors if they were assured that their works could not be tampered with in an objectionable fashion. Cf. Roberta Rosenthal Kwall, *The Right of Publicity vs. The First Amendment: A Property and Liability Rule Analysis*, 70 IND. L.J. 47, 79-80 (1994) (making a similar argument regarding stardom in the context of the right of publicity).

103. *Penn Cent. Transp. Co. v. New York City*, 438 U.S. 104, 129 (1978).

104. *Id.*; see also Roberta Rosenthal Kwall, *Governmental Use of Copyrighted Property: The Sovereign's Prerogative*, 67 TEXAS L. REV. 685, 712-13 (1989) (illustrating how the judiciary has embraced a liberal public use requirement).

105. *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 326-29, 33 U.S.P.Q.2d (BNA) 1225, 1238-41 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996); see 17 U.S.C. § 113(d) (1994).

106. *Carter*, 861 F. Supp. at 327-28, 33 U.S.P.Q.2d (BNA) at 1239-40.

107. 482 U.S. 304 (1987).

temporary regulatory taking in situations where the plaintiff is deprived of all use of its property.¹⁰⁸ Thus, if VARA's constitutionality is to be sustained, it must be on grounds other than the impermanent nature of its restrictions.

As discussed in *Carter*, the Supreme Court in *Loretto* endorsed a *per se* rule that governmental uses resulting in permanent, physical invasions of property constitute takings.¹⁰⁹ Since *Loretto*, however, the Court has been less reluctant to classify certain governmental actions as physical invasions. For example, in *Yee v. City of Escondido*,¹¹⁰ the Court held that a municipal rent control ordinance which, when combined with state law restrictions, allowed a mobile home owner to occupy the pad indefinitely at a submarket rent, did not constitute a physical taking. According to the Court, "[t]he government effects a physical taking only where it requires the landowner to submit to the physical occupation of his land."¹¹¹ In *Yee*, the park owners voluntarily rented their land to the mobile home owners. They were not compelled by either the state or the local law to continue renting in light of the state law provision which allowed a park owner, who wished to change the use of his land, to evict his tenants after providing them with six or twelve months notice.¹¹² Similarly, only those building owners who voluntarily decide to have art work installed on their property are bound by VARA. The statute also contains a provision for waiver of the author's rights. Thus, it is clear that the provision of VARA dealing with the installation of art work in buildings that was at issue in *Carter* does not constitute a physical taking.

It is also possible to assess § 113(d) as a regulatory taking. To determine the validity of any regulatory measure, it is first necessary to determine the appropriate standard by which to measure the fit between the legislative enactment and its avowed public purpose. Land use regulations can be divided into three general types. One type simply restricts the owner's use of the property without requiring the owner to grant anything of value to the public. The landmark preservation ordinance in *Penn Central*¹¹³ is one such example. In assessing the validity of such regulations, courts typically balance the factors dis-

108. *Id.* at 321-22.

109. *See supra* notes 88-98 and accompanying text.

110. 503 U.S. 519 (1992).

111. *Id.* at 527 (emphasis omitted).

112. *Id.* at 527-28.

113. *See supra* notes 91-94, 103-04 and accompanying text.

cussed in *Penn Central* as was done by the court in *Carter*.¹¹⁴ Another type of land use regulation requires the property owner to grant something of value to the public and the owner is given no choice. Such ordinances are likely to be held invalid.¹¹⁵ The third type of regulation requires the property owner to grant something of value to the government if the owner seeks to develop the land in some fashion. If the owner does not seek to develop the land, the owner need not make the grant. In effect, the owner must pay a price (in money, land, or other goods) for governmental permission to develop property. This price frequently is termed an "exaction" that is imposed on those who wish to develop.¹¹⁶ Essentially, the provision of VARA which governs the installation of visual art in buildings is analogous to a development exaction because it provides certain requirements with which the property owner must comply if she desires the installation of art work in her building. The court in *Carter* failed to recognize this and, therefore, failed to apply the appropriate legal standards by which to judge VARA's constitutionality.

*Dolan v. City of Tigard*¹¹⁷ recently established the legal limits of development exactions.¹¹⁸ In that case, the Court struck down the city's imposition of a development exaction requiring the plaintiff to dedicate a portion of her property for flood control and for a pedestrian path.¹¹⁹ In the course of its opinion, the Court adopted the "rough proportionality" test to determine the constitutionality of the fit between the exactions and the projected impact of the proposed development.¹²⁰ This test requires the city to "make some sort of individualized determination that the required dedication is related both in nature and extent to the impact of the proposed development."¹²¹

Although it is not clear that a statute such as VARA governing intangible property rather than realty would even have to meet the

114. See *supra* notes 91-94 and accompanying text.

115. EDWARD H. RABIN & ROBERTA ROSENTHAL K WALL, FUNDAMENTALS OF MODERN REAL PROPERTY LAW 572 (3d ed. 1992).

116. *Id.*

117. 512 U.S. 374 (1994).

118. The district court opinion in *Carter* came down in August 1994, and *Dolan* was decided in June 1994. Even prior to *Dolan*, however, the Court had dealt with development exactions in *Nollan v. California Coastal Comm'n*, 483 U.S. 825 (1987). In that case, the Court suggested that a more heightened degree of scrutiny will be applied to determine the constitutionality of development exactions. *Dolan* amplified the law set forth in *Nollan*.

119. *Dolan*, 512 U.S. at 396.

120. *Id.* at 391.

121. *Id.*

heightened nexus test invoked in *Dolan*, the requirements of § 113(d)(1) clearly would appear to satisfy *Dolan's* "rough proportionality" criteria. Section 113(d)(1) states that the building owner is not liable under VARA for the destruction of art work within the scope of VARA that has been incorporated into a building if the removal of the art work will cause its destruction or modification and the author either consented to the work's installation prior to the effective date of VARA, or, if the work was installed after VARA, the author and the building owner signed a written instrument specifying "that [the] installation of the work may subject the work to destruction, distortion, mutilation, or other modification, by reason of its removal."¹²² For works which can be removed from a building without causing their destruction or modification, VARA applies unless the building owner has made a "diligent, good faith attempt" to notify the author of the intended removal but was unsuccessful in notifying the author or has provided written notice to the author and the author failed to remove the work within 90 days after receiving notice.¹²³ These provisions are specifically related to the art work's installation so as to survive the "rough proportionality" test in *Dolan*. Moreover, even if the heightened nexus test in *Dolan* were not applied by analogy to intangible property, the pertinent standard for VARA's constitutionality would be the more lenient rational relationship test.¹²⁴

Assuming satisfaction of the *Dolan* test, a development exaction still must satisfy the remainder of the regulatory takings criteria under the multi-factored balancing analysis performed in *Penn Central*.¹²⁵ The

122. 17 U.S.C. § 113(d)(1)(B) (1994).

123. *Id.* § 113(d)(2). Section 113(d)(3) provides that the Register of Copyrights "shall establish a system of records whereby any author of a work of visual art that has been incorporated in or made part of a building, may record his or her identity and address with the Copyright Office." The statute also provides that the Register shall establish procedures for updating the recorded information and for building owners to record evidence of their compliance with these procedures. Between 1991 and 1996, there has only been one entry submitted to this registry. Final Report, *supra* note 58, at 193.

124. See, e.g., *Nollan*, 483 U.S. at 843 (Brennan, J., dissenting) (quoting *Minnesota v. Clover Leaf Creamery Co.*, 449 U.S. 456, 466 (1981) ("It is also by now commonplace that this Court's review of the rationality of a State's exercise of its police power demands only that the State 'could rationally have decided' that the measure adopted might achieve the State's objective.")).

125. *Dolan* does not specifically address whether an enactment, having survived the "rough proportionality" test, must then be subjected to a regular takings analysis. Nevertheless, property law assumes that a property owner has two opportunities to strike down a given regulatory measure. First, on its face, a measure must meet all constitutional norms, including a showing that it is within the police power. Satisfaction of the *Dolan* test indicates that a measure is a permissible police power regulation on its face. Second, a measure as it is ap-

satisfaction of these criteria also would have to be performed for the other provisions of VARA which do not deal with the incorporation of art work into buildings, and therefore cannot be analogized to development exactions. Therefore, all of VARA should be analyzed under a typical takings test which looks to the following factors: (1) whether the measure entails reciprocal benefits to the burdened party; (2) whether the property owners are unfairly singled out as a result of the regulation's application; (3) the extent to which the legislation interferes with the property owner's distinct investment-backed expectations; and (4) the extent to which the property is diminished in value by virtue of the measure.¹²⁶

The application of these factors essentially requires courts to evaluate the societal benefits provided by VARA and to balance these benefits against the burdens which property owners are being asked to bear in order to effectuate these societal gains. Although it is difficult to quantify the relative benefits and burdens in this manner, *Penn Central* may have some bearing here. In rejecting the property owners' contention that they were "solely burdened and unbenefited" by New York City's landmark preservation law, the Court observed:

Unless we are to reject the judgment of the New York City Council that the preservation of landmarks benefits all New York citizens and all structures, both economically and by improving the quality of life in the city as a whole—which we are unwilling to do—we cannot conclude that the owners of the Terminal have in no sense been benefited by the Landmarks Law.¹²⁷

More recently, the Court has observed that "[t]he Takings clause has never been read to require the States or the courts to calculate whether a specific individual has suffered burdens under this generic rule in excess of the benefits received."¹²⁸ Based on this reasoning, it is possible to argue that Congress can make the judgment that all citizens, including building owners and copyright and copy owners whose property values are being diminished by moral rights legislation, will benefit by the imposition of such legislation because it will enable society as a

plied also must survive a regulatory takings analysis pursuant to the *Penn Central* factors discussed in the text.

126. See generally *Penn Cent. Transp. Co. v. New York City*, 438 U.S. 104 (1978); *Carter v. Helmsley-Spear, Inc.*, 861 F. Supp. 303, 327, 33 U.S.P.Q.2d (BNA) 1225, 1239 (S.D.N.Y. 1994) (applying three factors of the takings test), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996).

127. *Penn Cent.*, 438 U.S. at 134-35.

128. *Keystone Bituminous Coal Ass'n v. DeBenedictis*, 480 U.S. 470, 491 n.21 (1987).

whole to preserve its cultural heritage. Of course, the property owners whose rights are allegedly being impaired will argue that they are not receiving any benefit which approximates the burden they are being asked to bear. As discussed earlier, the Vice-President of Helmsley-Spear, Inc., testified that permanent art installation decreased the value of his building.¹²⁹ The property owner's response is, however, significantly diminished by the fact that VARA's application is largely prospective.¹³⁰ Building owners do not have to install art work; copyright and copy owners of moveable art work have a choice as to whether to accept their ownership rights in light of the statute's restrictions on the rights of attribution and integrity. Moreover, VARA also contains a provision for waiver of the author's rights under certain circumstances.¹³¹

Whether VARA effectuates a taking also will be influenced significantly by whether this legislation frustrates the property owner's reasonable expectations. When an author assigns the copyrights in a work or sells a copy of a protected work, the copyright and copy owners enjoy a certain set of ownership expectations based on the provisions of the 1976 Copyright Act. In some critical respects, the passage of VARA altered these expectations for works within its scope. For example, prior to VARA, both copyright and copy owners were not required to attribute authorship of a displayed work to the author.¹³² Similarly, prior to VARA an author could not prevent destruction of her work by the owner of a lawfully made copy of her work.¹³³ A strong argument also could be made that when an author assigned the copyrights in her work, the copyright proprietor could perform objectionable mutilations to the work so long as the altered work was not falsely attributed to the author.¹³⁴ By allowing an author to claim authorship

129. See *supra* note 63 and accompanying text.

130. But see *infra* note 148 and accompanying text.

131. See *infra* part III.

132. The right of display is one of the rights safeguarded to a copyright owner under § 106(5) of the Copyright Act. 17 U.S.C. § 106(5) (1994). Section 109(c) of the statute allows the owner of a lawfully made copy of a work to display "that copy publicly ... to viewers present at the place where the copy is located." *Id.* § 109(c).

133. *An American Marriage*, *supra* note 55, at 62-63. In fact, the legislative history of the 1976 Act apparently sanctioned a copy owner's right to destroy his lawfully made copy. H.R. REP. NO. 94-1476, at 109 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5693.

134. If an author assigned the copyrights in her work, the copyright owner would obtain the right to make derivative works under § 106(2). If, however, the copyright owner altered the work in an objectionable manner, an argument could be made that an author could sue the copyright owner for violating § 106(2) if the changes constituted mutilation and the derivative work was labeled as "based upon" the author's underlying work. See *An American Marriage*,

of her work, VARA requires that people who have been assigned the copyrights in a work as well as owners of lawfully made copies provide a right of attribution.¹³⁵ Authors of works of recognized stature also have the right to prevent destruction of their works under VARA and have a cause of action for violation of their right of integrity for destructions that are intentional or grossly negligent.¹³⁶ Moreover, pursuant to VARA, authors have the right to prevent objectionable, intentional modifications to their works that are prejudicial to their honor or reputation and have a cause of action for any such modifications.¹³⁷ VARA also altered the expectations that building owners had with respect to the prospective installation of art work.

Congress was quite concerned about the impact of applying VARA retroactively and sought independent advice with respect to this issue.¹³⁸ VARA explicitly calls for prospective application in the majority of instances¹³⁹ because it will only apply to previously created works when the titles to such works have not been transferred prior to the statute's effective date.¹⁴⁰ Therefore, VARA would not impinge on the expectations of people who bought copies of VARA works prior to the statute's passage. Congress clearly recognized that VARA modified "important understandings and responsibilities" of various individuals and "that it would not be appropriate to apply new standards to conduct occurring before the effective date."¹⁴¹

supra note 55, at 40-47, 62-63, 90. Absent a copyright assignment by the author of the work to the owner of a lawfully made copy of the work, a copy owner who made mutilating changes in an author's work would have infringed the author's right to prepare a derivative work under § 106(2). Of course, if a copy owner mutilates an author's work beyond recognition, but does not attribute authorship to the author, probably no violation of § 106(2) would occur since the copy owner's acts would be more like a destruction.

135. See 17 U.S.C. § 106A(a)(1)(A) (1994).

136. See *supra* notes 72-84 and accompanying text.

137. See *supra* notes 64-71 and accompanying text.

138. Prior to VARA's passage, the Office of the General Counsel had asked the Author of this Article to prepare an advisory opinion concerning the retroactive application of VARA.

139. Cf. *Moakley v. Eastwick*, 666 N.E.2d 505 (Mass. 1996) (court refused to apply the Massachusetts moral rights statute retroactively to works created prior to its enactment and owned by people other than the artist even though the statute does not expressly address retroactive application).

140. VARA can, however, be applied to works created prior to the statute's passage as long as title to the works were not transferred as of the statute's effective date. Thus, VARA could be applied to works whose copyrights had already been transferred prior to the statute's effective date. See *infra* notes 142-43 and accompanying text. In addition, the statute does not specifically bar a retroactive application of the right of attribution. See *infra* note 144 and accompanying text.

141. H.R. REP. NO. 101-514, at 23 (1990), reprinted in 1990 U.S.C.C.A.N. 6915, 6933.

The foregoing discussion also pertains to the extent to which VARA diminishes the value of a property owner's bundle of rights. Although VARA does not apply to works whose titles have been transferred prior to the statute's effective date,¹⁴² VARA presumably can apply to works created prior to the statute's effective date if the copyrights, as opposed to the titles, to such works have been transferred before this time.¹⁴³ Therefore, it is necessary to evaluate the extent to which VARA diminishes the value of previously assigned copyrights. Recent Supreme Court takings jurisprudence suggests that a taking will occur only if a particular regulation interferes with *every* strand in a property owner's "bundle of rights" rather than one strand in particular.¹⁴⁴ If the Supreme Court does not believe that the prohibition of the sale of lawfully acquired property which deprives the owners of the most profitable use of their property effectuates a taking,¹⁴⁵ it is difficult to imagine that the Court would conclude that VARA constitutes a taking, even with respect to art work for which copyrights were transferred prior to VARA's effective date. VARA's requirements that copyright owners provide appropriate attribution and refrain from in-

142. See *supra* note 5 and accompanying text.

143. According to the original House bill, the current reference to "title" was to "copyright." 136 Cong. Rec. H13314 (daily ed. Oct. 27, 1990) (statement of Rep. Kastentreier). The term "title" was substituted in the Senate amendment. Section 202 of the 1976 Act provides that "[o]wnership of a copyright, or of any of the exclusive rights under a copyright, is distinct from ownership of any material object in which the work is embodied" and that "[t]ransfer of ownership of any material object ... does not of itself convey any rights in the copyrighted work embodied in the object; nor, in the absence of an agreement, does transfer of ownership of a copyright or of any exclusive rights under a copyright convey property rights in any material object." 17 U.S.C. § 202 (1994).

144. See, e.g., *Lucas v. S.C. Coastal Council*, 505 U.S. 1003 (1992) (holding that compensation must be provided for regulations that deprive a landowner of all economically beneficial uses of the property when such regulations are newly decreed rather than explicit recognitions of restrictions already inhering in the property based on state property and nuisance law principles); *First English Evangelical Lutheran Church v. County of Los Angeles*, 482 U.S. 304 (1987) (holding that when a government regulation temporarily deprives a property owner of all uses of his property, the government must provide compensation for the period between the regulation's implementation and the judicial determination that the measure entails a taking); *Keystone Bituminous Coal Ass'n v. DeBenedictis*, 480 U.S. 470, 497 (1987) (examining the impact of the challenged mining regulations on the entirety of the plaintiffs' mining operations rather than considering the effect of the measures on discrete segments of plaintiffs' property); *Penn Cent. Transp. Co. v. New York City*, 438 U.S. 104, 130-31 (1978) ("[t]akings' jurisprudence does not divide a single parcel into discrete segments and attempt to determine whether rights in a particular segment have been entirely abrogated." Instead, the Court "focuses rather both on the character of the action and on the nature and extent of the interference with rights in the parcel as a whole ...").

145. See *Andrus v. Allard*, 444 U.S. 51 (1979) (regulation prohibiting the sale of protected Indian artifacts acquired by the plaintiffs prior to the statute's passage not a taking).

tentional modifications which are prejudicial to an author's honor or reputation still leave copyright owners of covered works with a valuable property interest. Requiring copyright owners to credit the author causes a minimal degree of intrusion to their pecuniary interests. Although VARA's prohibition of certain modifications may be somewhat more intrusive for copyright owners exercising their right to prepare derivative works,¹⁴⁶ on the whole, this intrusion does not deprive copyright owners of every strand in their "bundle of rights" and still leaves such copyright owners with other profitable uses of the works.¹⁴⁷ Overall, an analysis of the critical takings factors suggests that applying VARA prospectively is not likely to be considered a regulatory taking.

VARA expressly prohibits its retroactive application to right of integrity violations,¹⁴⁸ but does not address whether it can be applied retroactively to attribution violations. Suppose an author creates a work prior to VARA's effective date but does not divest herself of title to the work. She does, however, assign the copyright in the work prior to VARA's passage. Although the copyright owner will not be liable for violations of the right of integrity which he may commit by exercising his right to prepare a derivative work, on the face of VARA he can be liable for displaying the copyrighted work without proper attribution, even if this display occurred prior to VARA's passage or its effective date. As discussed above, requiring prospective attributions for works whose copyrights were transferred prior to VARA probably would not be considered a taking, but imposing liability for pre-VARA violations should not be sanctioned. In such instances, VARA should apply its right of attribution similarly to its right of integrity and preclude liability for acts committed prior to VARA's effective date.

A different facet of the retroactivity issue was presented in *Pavia v. 1120 Avenue of the Americas Associates*,¹⁴⁹ where the court grappled with the plaintiff artist's argument that the defendants, copy owners of one of his sculptures, had improperly displayed and mutilated his art

146. Specifically, the copyright owner no longer would be able to prepare a derivative work based upon the copyrighted work without concern for whether the derivative work comports with the artistic spirit of the original creator.

147. VARA's prohibition on destructions will not be problematic in this situation because copyright ownership does not entail the right to destroy the work. Although owners of lawfully made copies of copyrightable works did have the right to destroy their copies prior to VARA, *see infra* notes 226-27 and accompanying text, VARA specifically exempts from its coverage those works created prior to the statute's effective date where title has been transferred prior to VARA's effective date.

148. *See supra* note 86 and accompanying text.

149. 901 F. Supp. 620, 36 U.S.P.Q.2d (BNA) 1622 (S.D.N.Y. 1995).

work. The court granted the defendants' motion to dismiss the complaint insofar as it was based on VARA and denied the motion with respect to claims for improper display arising under the New York state moral rights statute. The sculpture in question was called "The Ides of March."¹⁵⁰ It consisted of three bronze, "large, diamond-shaped standing forms and one smaller form lying on its side."¹⁵¹ The work was commissioned by the defendants in 1963, although title to the work remained in the plaintiff artist. The sculpture was displayed in the lobby of one of the defendant's hotels until 1988 and had received much attention as a significant work of art. Based on assertions allegedly made by the defendants, the plaintiff believed that the sculpture would remain in the hotel lobby permanently. In 1988, the defendants allowed the work to be dismantled, and two of the forms were subsequently displayed in a parking garage. The other two forms were removed from the hotel lobby. The plaintiff alleged that this improper display damaged his honor and reputation as an artist and that such damage would continue as long as the work was displayed improperly.¹⁵²

The court held that the improper display was actionable under the New York moral rights statute,¹⁵³ although the three year statute of limitations contained in that statute precluded liability for any display occurring before February 23, 1992 (three years before the action was commenced).¹⁵⁴ With respect to VARA's application, the court, for purposes of deciding the defendants' motion to dismiss, accepted the artist's assertion that he had never transferred title.¹⁵⁵ Unlike the New York statute, however, VARA claims arise from improper alterations rather than improper displays.¹⁵⁶ Nonetheless, VARA is silent as to whether the ongoing display of a work that was altered prior to the effective date of VARA gives rise to a cause of action. Therefore, the court was faced with deciding whether the continued display of a work constitutes ongoing mutilation for purposes of applying the effective date and retroactivity provisions of VARA.¹⁵⁷ The court evidenced

150. *Id.* at 624, 36 U.S.P.Q.2d (BNA) at 1624.

151. *Id.*

152. *Id.*

153. N.Y. ARTS & CULT. AFF. LAW § 14.03 (McKinney 1996).

154. The court interpreted the New York statute to preclude improper displays rather than the actual act of alteration. A new cause of action therefore would accrue each day the work was displayed improperly. *Pavia*, 901 F. Supp. at 625, 36 U.S.P.Q.2d (BNA) at 1625. See also *infra* notes 163-64 and accompanying text.

155. *Pavia*, 901 F. Supp. at 628, 36 U.S.P.Q.2d (BNA) at 1628.

156. 17 U.S.C. § 106(A)(a)(3) (1994).

157. See *supra* notes 85-86 and accompanying text.

great concern for the apparent legislative intent underlying the effective date provision that parties who had commissioned works before the statute's effective date could rely on their prior understandings regarding alterations of the works.¹⁵⁸ Thus, the court concluded that Congress "could not have intended to give artists the right to prevent the continued display after VARA's effective date of works distorted, mutilated, or modified before that date."¹⁵⁹

Pavia reached the correct result under the terms of VARA, but the real issue in the case seemed to be whether VARA makes improper displays actionable at all, not whether VARA should be applied retroactively in this situation so as to preclude the ongoing display of a work altered prior to the statute's implementation. The artist asserted that the "continued display constitutes ongoing mutilation,"¹⁶⁰ a contention which the court properly rejected in light of the fact that improper displays are not actionable under VARA. Thus, although the court in *Pavia* called the issue it was confronting one of first impression,¹⁶¹ the issue actually was quite easy to resolve from a legal standpoint. Congress was aware that some state moral rights statutes, such as New York's, prohibit the improper display of art work and, had it wanted to make such displays actionable, it would have done so in clear terms.

E. The Preemption Problem

An especially complicated problem raised by VARA is its preemptive effect with respect to state moral rights statutes. VARA provides that subsequent to its effective date, "all legal or equitable rights that are equivalent to any of the rights conferred by § 106A" are "governed exclusively by § 106A and § 113(d)."¹⁶² VARA further provides that state law actions are not preempted if they: (1) arise "from undertakings commenced before the effective date" of VARA; (2) stem from activities violating rights that are not equivalent to those provided in § 106A; or (3) arise from "activities violating ... rights which extend beyond the life of the author."¹⁶³

The application of the first preemption provision was at issue in *Pavia*, where the court ruled that no preemption problem existed with

158. H.R. Rep. No. 101-514, at 23 (1990), *reprinted in*, 1990 U.S.C.C.A.N. 6915, 6933.

159. *Pavia*, 901 F. Supp. at 629, 36 U.S.P.Q.2d (BNA) at 1628-29.

160. *Id.* at 628, 36 U.S.P.Q.2d (BNA) at 1628.

161. *Id.*

162. 17 U.S.C. § 301(f)(1) (1994).

163. *Id.* § 301(f)(2)(A)-(C).

respect to New York's moral rights statute under the facts of the case since the improper display had commenced in 1988, three years before VARA's effective date.¹⁶⁴ Significantly, the court left open whether VARA preempted the New York statute for actions arising subsequent to its effective date.¹⁶⁵ As discussed below, this issue is of much greater difficulty because it necessitates the complex inquiry under the second preemption provision regarding whether the rights provided in the state statute are "equivalent" to those provided by § 106(A).

Not only does the specific content of the state statutes vary among the states, their content also varies significantly from VARA. Some statutes such as those in California, Connecticut, Massachusetts, and Pennsylvania, provide relief for the actual commission of an alteration.¹⁶⁶ Other statutes, such as those in Louisiana, Maine, Nevada, New Jersey, New York, and Rhode Island, provide relief for the display or publication of an altered work.¹⁶⁷ The definitions of "fine art" also vary among the states.¹⁶⁸ Some of the state statutes offer more extensive protections than VARA. For example, California, Massachusetts, and New Mexico apparently presume that any alteration will harm a creator's honor or reputation.¹⁶⁹ Massachusetts and New Mexico allow relief for alterations resulting from gross negligence.¹⁷⁰ The protections in Louisiana, Maine, New Jersey, New York, and Rhode Island extend to reproductions of covered works.¹⁷¹ Significantly, in addition to fine art, some of the statutes even protect visual and graphic works in any me-

164. *Pavia*, 901 F. Supp. at 626, 36 U.S.P.Q.2d (BNA) at 1626.

165. *Id.*

166. *See, e.g.*, CAL. CIV. CODE §§ 987(c)-989(c) (West Supp. 1995); CONN. GEN. STAT. ANN. § 42-116t (West 1995); MASS. GEN. LAWS ANN. ch. 231, § 85S (West Supp. 1996); PA. STAT. ANN. tit. 73, §§ 2104, 2105 (Purdon Supp. 1996).

167. *See, e.g.*, LA. REV. STAT. ANN. §§ 51:2153, 2156 (West 1995); ME. REV. STAT. ANN. tit. 27, § 303 (West 1996); NEV. REV. STAT. ANN. § 597.740 (Michie 1995); N.J. STAT. ANN. §§ 2A:24A-4, 5, 8 (West 1996); N.Y. ARTS & CULT. AFF. LAW § 14.03 (McKinney 1996); R.I. GEN. LAWS §§ 5-62-3, 6 (Michie 1994). New Mexico's statute is unique in that it extends protection only to works that are displayed in public buildings by the state. *See* N.M. STAT. ANN. §§ 13-4B-2 to 13-4B-3 (Michie 1996).

168. Compare California's definition of protected "fine art" ("an original painting, sculpture, or drawing ... of recognized quality," § 987 (b)(2)) with the extremely detailed and broad definition of "fine art" in the Connecticut statute (*see* § 42-116s(2)).

169. *See, e.g.*, CAL. CIV. CODE § 987(a) (West Supp. 1995); MASS. GEN. LAWS ANN. ch. 231, § 85S(a) (West Supp. 1996); N.M. STAT. ANN. § 13-4B-1 (Michie 1996).

170. MASS. GEN. LAWS ANN. ch. 231, § 85S(e) (West Supp. 1996); N.M. STAT. ANN. § 13-4B-3(A) (Michie 1996).

171. LA. REV. STAT. ANN. §§ 51:2153(2) (West 1995); ME. REV. STAT. ANN. tit. 27, § 303(2) (West 1996); N.J. STAT. ANN. §§ 2A:24A-4 (West 1996); N.Y. ARTS & CULT. AFF. LAW § 14.03(1) (McKinney 1996); R.I. GEN. LAWS § 5-62-3 (Michie 1994).

dium reproduced.¹⁷² These differences are significant with respect to the issue of preemption.

The equivalent rights preemption provision raises very difficult issues. In interpreting this provision, it is instructive to consider the preemption provision of the 1976 Act which also necessitates a determination of equivalent rights.¹⁷³ The 1976 Act fails to define the term "equivalent," but the legislative history indicates that a state cause of action will escape preemption if it contains elements that are "different in kind" from copyright infringement.¹⁷⁴ In applying this test, many courts have invoked Professor Nimmer's "elements" test which asks whether the state law is one which is infringed by one or more of the acts protected under the 1976 Copyright Act.¹⁷⁵ If the exercise of any of these rights protected under the 1976 Act is all that is necessary to infringe the state law, preemption will result. In contrast, if the state law also requires other elements for infringement, no preemption exists.¹⁷⁶ Another approach to equivalency invoked in conjunction with the 1976 Act focuses on the interests protected by the state law in question. Under this approach, preemption will result if the state law's only objective is the same as that of the 1976 Act, the provision of economic incentives for creators.¹⁷⁷

When applying these tests to state moral rights statutes that provide more comprehensive protection to authors, but cover art work within VARA's scope, it is necessary to measure the state law against the elements and objectives of VARA rather than the 1976 Act. Examples of such state legislation would be statutes which automatically presume that alterations harm a creator's honor or reputation, thereby eliminating the need for a creator to prove this directly,¹⁷⁸ or statutes which

172. See, e.g., LA. REV. STAT. ANN. §§ 51:2152(7) (West 1995) (visual or graphic works of recognized quality in any medium reproduced, excluding motion pictures); ME. REV. STAT. ANN. tit. 27, § 303(1)(D) (West 1996) (visual or graphic works without restriction regarding the quality of the work, excluding motion pictures); N.J. STAT. ANN. § 2A:24A-3(e) (West 1996) (visual or graphic works without restriction regarding the quality of the work, excluding motion pictures).

173. See 17 U.S.C. § 301(a) (1994).

174. See *An American Marriage*, *supra* note 1, at 76; see also H.R. REP. No. 94-1476, at 109 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5748.

175. The protected rights under the 1976 Copyright Act are the rights to reproduce, prepare derivative works, distribute, and perform and display publicly. See 17 U.S.C. § 106 (1994).

176. See *An American Marriage*, *supra* note 55, at 76-77.

177. *Id.* at 78.

178. See *supra* note 169 and accompanying text; see also Joseph Zuber, *The Visual Artists Rights Act of 1990 – What it Does, and What it Preempts*, 23 PAC. L.J. 445, 492-95 (1992)

provide relief for mutilations resulting from gross negligence. It has been argued that such state law provisions are preempted¹⁷⁹ on the ground that the broader protections offered by these state statutes do not qualify as different rights. This view is also consistent with VARA's legislative history¹⁸⁰ as well as the preemption law under the 1976 Act under which courts frequently adopt a strict standard requiring additional elements to negate preemption.¹⁸¹

With respect to the objectives test, it is necessary to compare the objectives of the state law with that of VARA. The legislative history suggests that Congress' objective in enacting VARA was to offer increased protections for visual artists' personal rights in their work and to preserve important art works of our cultural heritage.¹⁸² At first blush, it is difficult to conceive of a state moral rights statute that would entail the additional objectives necessary to save it from preemption, however, at least one state statute appears to fit this situation. In 1995, New Mexico enacted legislation to protect art in public buildings.¹⁸³ The Final Report of the Register of Copyrights classifies this statute as one of a "public works category, which is more related to state police power than to copyright administration."¹⁸⁴ The objective of the New Mexico statute is to protect works from vandalism,¹⁸⁵ an objective that differs significantly from VARA. If the objectives test were to be invoked to determine whether other state moral rights statutes are preempted, the likely result would be preemption. Thus, using either an elements or an objectives test, those state provisions that provide more comprehensive protection to works covered by VARA probably would be deemed preempted by VARA, although the possibility exists that

(noting that Congress intended to preempt state statutes granting equivalent, even if broader, rights for works covered by VARA in light of Congress' desire to implement a uniform system of moral rights protection).

179. See Robert A. Gorman, *Visual Artists Rights Act of 1990*, 38 J. COPYRIGHT SOC'Y 233, 240 (1990).

180. H.R. REP. NO. 101-514, at 21 (1990), reprinted in 1990 U.S.C.C.A.N. 6915, 6931.

181. For example, courts have held that additional elements such as commercial immorality or competitive use are insufficient to show a different right. See, e.g., *Mayer v. Josiah Wedgwood & Sons, Ltd.*, 601 F. Supp. 1523, 1535 (S.D.N.Y. 1985) (extra elements such as "commercial immorality" alter "the scope of the action but not its nature"); *Rosciszewski v. Arete Assocs., Inc.*, 1 F.3d 225, 230 (4th Cir. 1993) (claim under Virginia Computer Crimes Act preempted because the statute's requirement of intent does not add a qualitatively different element from that of unauthorized copying).

182. H.R. REP. NO. 101-514, at 5-7, 12, 16, 18 (1990), reprinted in 1990 U.S.C.C.A.N. 6915-17, 6922, 6926, 6928. See also *infra* notes 220-21 and accompanying text.

183. N.M. STAT. ANN. § 13-4B-3 (Michie 1995).

184. See Final Report, *supra* note 58, at 11.

185. *Id.* at 11, 16-17.

courts would sever the preempted provisions and uphold the remainder of the state statutes.¹⁸⁶

By virtue of the third preemption provision, states are free to protect an author's moral rights posthumously.¹⁸⁷ Many state moral rights statutes do, in fact, provide protection for the life of the author plus fifty years.¹⁸⁸ On the other hand, the duration of the rights specified in VARA varies, depending on when the work was created with respect to VARA's effective date. Section 106A(d)(1) provides that the moral rights safeguarded by the statute expire with the death of the author for works created on or after the effective date of VARA. For works created before the effective date of VARA, but to which title has not been transferred as of the effective date, the duration of rights under § 106A is co-extensive with those under copyright law.¹⁸⁹ Neither the statute nor the legislative history offers any explanation for this strange dichotomy, but in its original form VARA provided a duration of protection equal to that of copyright law for all covered works.¹⁹⁰ The more limited duration for works created on or after the effective date of VARA was a result of a last-minute amendment by the Senate.¹⁹¹

The Berne Convention advocates that moral rights should last as long as copyright protection.¹⁹² With respect to VARA's preemption

186. See Zuber, *supra* note 178, at 496, 502 (discussing this possibility with respect to the New York and California statutes).

187. 17 U.S.C. § 301(f)(2) (1994).

188. CAL. CIV. CODE § 987(g)(1) (West Supp. 1995); CONN. GEN. STAT. ANN. § 42-116t(d)(1) (West 1995); MASS. GEN. LAWS ANN. ch. 231, § 85S(g) (West Supp. 1996); N.M. STAT. ANN. § 13-4B-3(E) (Michie 1996); PA. STAT. ANN. tit. 73, § 2107(1) (Purdon Supp. 1996).

Louisiana's statute states, "[t]he provisions of this Chapter apply to any works of fine art regardless of when created." LA. REV. STAT. ANN. § 2155G (West 1987). This language suggests that protection may be perpetual in that state. California also provides that a public interest organization can obtain injunctive relief to preserve the integrity of a covered work. See CAL. CIV. CODE § 989(c) (West Supp. 1995). At least one commentator has suggested that this public enforcement right should be perpetual. See Zuber, *supra* note 178, at 456-57. On the other hand, serious problems would arise if a state moral rights statute elected to offer perpetual moral rights protection in light of the "limited time" and "public domain" concepts critical to the federal scheme of copyright protection. See *An American Marriage*, *supra* note 55, at 88. But see Damich, *supra* note 59, at 993 (positing that moral rights could last perpetually).

189. 17 U.S.C. § 106A(d)(2) (1994).

190. H.R. REP. No. 101-514, at 18 (1990), reprinted in 1990 U.S.C.C.A.N. 6915, 6928.

191. VARA also provides that the rights in joint works last until the death of the last surviving author. See 17 U.S.C. § 106A(d)(3) (1994).

192. The 1971 Conference amended Article 6*bis* to include a provision calling for the posthumous recognition of an author's moral rights for a minimum period consisting of the duration of her copyright. Article 6*bis*(2) does, however, afford each of its members some

exemption for statutes providing longer periods of protection, Professor Gorman notes that "[t]he apparent purpose of this odd provision is to assure that United States law complies with the Berne Convention by guaranteeing that the moral rights of artists are protected for 'life plus fifty'—with the federal act protecting for 'life' and the spontaneously generating state law protecting for 'plus fifty' after the death of the artist."¹⁹³ Since several state statutes provide authors with a longer period of protection than VARA, this exemption creates the interesting irony that authors of works created post-VARA obtain more protection for their works after their deaths than during their lifetimes. Interestingly, the Final Report of the Register of Copyrights noted that the National Endowment for the Arts suggested that the duration of VARA should be modified so that it terminates with the term of copyright rather than at the author's death.¹⁹⁴

As discussed above, several of the state statutes also provide for rights that are specifically excluded in VARA, such as prohibiting the display of an altered work.¹⁹⁵ VARA provides a cause of action based on the alteration, but explicitly states that "the modification of a work of visual art which is the result ... of the public presentation, including lighting and placement, of the work is not a destruction, distortion, mutilation, or other modification" within the scope of the right of integrity, unless the modification is caused by "gross negligence."¹⁹⁶ Another preemption question involving the right to display would exist if a state statute conditioned either the copy owner's right of public display or the copyright owner's rights of public display, performance, and reproduction upon contextual situations that are unobjectionable to the

latitude on this issue by providing that those countries whose laws do not protect all of the moral rights set forth in Article 6bis(1) on a posthumous basis may allow some of these rights to terminate after the author's death. See *An American Marriage*, *supra* note 55, at 14.

Other countries that recognize moral rights can be divided into two groups regarding the right's duration. The first group, which includes the former West Germany and the Netherlands, follows the Berne approach by simultaneously terminating an author's copyrights and moral rights. The second group adheres to the French view that moral rights are perpetual. *Id.* at 15.

193. See Gorman, *supra* note 179, at 241.

194. See Final Report, *supra* note 58, at 156. See also *supra* note 188.

195. See *supra* notes 164-65 and accompanying text.

196. 17 U.S.C. § 106A(c)(2) (1994). The House Judiciary Committee illustrated this provision with the example of a Canadian case in which an artist objected to a shopping center's act of decorating a sculpture of a flock of geese with Christmas trim during the holiday season as illustrative of the public presentation exception. H.R. REP. NO. 101-514, at 17 (1990), reprinted in 1990 U.S.C.A.N. 6915, 6927 (discussing *Snow v. The Eaton Centre, Ltd.*, 70 C.P.R.2d 105 (Ont. High Ct. 1982)).

author.¹⁹⁷

As discussed above, New York's statute is an example of one which prohibits displays of altered works.¹⁹⁸ Specifically, that statute makes actionable the display or publication of a work of fine art or a reproduction of such a work in an altered form if the work is displayed, published, or reproduced "as being the work of the artist," or would reasonably be regarded as the work of the artist and if damage to the artist's reputation is "reasonably likely to result."¹⁹⁹ In *Wojnarowicz v. American Family Association*,²⁰⁰ which was decided after VARA had only been passed by the House of Representatives,²⁰¹ the court observed in a footnote that if VARA was ultimately enacted, it "would arguably preempt" state laws such as New York's moral rights statute.²⁰² This observation was somewhat hasty, however, because it failed to consider specifically the preemption issue regarding state statutes which protect rights excluded by VARA. No cases to date have explored this issue in any depth. In *Carter*, the plaintiffs did not sue under the New York statute in part because they were seeking to prevent destruction of their work, an action not covered by the state law.²⁰³

197. Cf. LA. REV. STAT. ANN. § 53(3) (West 1987) (prohibiting the public display of an original or reproduced work of fine art that is "known to be generally regarded by the public as that of the artist" where "damage to the artist's reputation is reasonably likely to result therefrom").

198. See *supra* notes 153-57 and accompanying text.

199. N.Y. ARTS & CULT. AFF. LAW § 14.03(1) (McKinney Supp. 1996).

200. 745 F. Supp. 130, 17 U.S.P.Q.2d (BNA) 1337 (S.D.N.Y. 1990). See also *supra* notes 68-71 and accompanying text.

201. See *supra* note 20 and accompanying text.

202. *Wojnarowicz v. American Family Assoc.*, 745 F. Supp. 130, 136 n.2, 17 U.S.P.Q.2d (BNA) 1337, 1341 n.2 (S.D.N.Y. 1990).

203. At the time of the lawsuit in *Carter*, the plaintiffs' attorneys took the view that there was an insurmountable preemption problem. Daniel Weiner, one of the plaintiffs' attorneys, told the Author that in retrospect, the preemption argument may not have been as insurmountable as they had originally thought.

Lubner v. Los Angeles, 53 Cal. Rptr. 2d 24 (Ct. App. 1996), discussed briefly whether the California moral rights statute was preempted by VARA. The court bolstered its rejection of the plaintiffs' argument that they should be entitled to recover under the California statute for the destruction of their artwork due to simple negligence with the observation that the state statute "appears" to be preempted by VARA. *Id.* at 28; see also *supra* notes 79-84 and accompanying text. Observing that although no case has yet interpreted VARA's preemption provisions, and that "it is not certain whether the California statute and the federal legislation are equal in scope," the court summarily concluded that if the California statute is preempted, the plaintiffs' action would not be permitted. *Lubner*, 53 Cal. Rptr. 2d at 28.

The fact patterns of *Pavia* and *Carter* also suggest other interesting issues deriving from VARA's failure to protect the right to display. Recall that the display issue was presented in *Pavia*, where the court concluded that VARA does not prohibit the post-enactment display of

In addition to state statutes encompassing rights specifically denied by VARA, the preemption question also requires consideration of state statutes which cover subject matter specifically excluded from protection by VARA. This inquiry encompasses those state moral rights statutes that offer protection to a broader category of works of visual art than VARA,²⁰⁴ as well as those statutes which protect works other than visual art.²⁰⁵ For example, the definition of a "work of visual art" excludes limited editions of more than 200 copies, photographic images produced for non-exhibition purposes, applied art, and other categories or works.²⁰⁶ Moreover, § 106A(c)(3) expressly provides that VARA does not apply to any reproductions of covered works.²⁰⁷

works altered before the statute's enactment. See *supra* note 153 and accompanying text. A more challenging issue would have arisen if the dismantling of the *Pavia* sculpture had taken place after the effective date of VARA. See *supra* notes 149-61 and accompanying text. In this situation, the dismantling would clearly have been actionable under VARA, but the court would have had to decide whether the ongoing display of a mutilated work also gives rise to a VARA violation. In this situation, perhaps the plaintiff would not have needed to resort to the display argument since he would have been able to recover for the dismantling itself. Still, if VARA were to be interpreted to provide relief against continued displays of altered works, the resulting damage award could be higher than it would be for a one-time mutilation, especially in a case like *Pavia* where the alteration apparently was not permanent in nature. In *Pavia*, the attorney for the plaintiff argued that damage to the artist's reputation increased with every day the mutilated work was displayed. Conversation with Gale P. Elston, Attorney of Record for Philip Pavia (Nov. 26, 1996).

In *Carter*, the district court rejected the plaintiffs' argument that VARA affords them the right to complete the work in question. The court noted that "VARA mandates preservation of protected art work and the protection of artists' moral rights. It does not mandate creation." *Carter v. Helmsley-Spear*, 861 F. Supp. 303, 329, 33 U.S.P.Q.2d (BNA) 1225, 1241 (S.D.N.Y. 1994), *rev'd*, 71 F.3d 77, 37 U.S.P.Q.2d (BNA) 1020 (2d Cir. 1995), *cert. denied*, 116 S. Ct. 1824 (1996). Although the court did not explore this issue in great detail, an argument could be made that the display of an unfinished work that is prejudicial to an author's honor or reputation should give rise to a right of integrity violation. The National Endowment for the Arts reported to the Register of Copyrights in conjunction with the Final Report on Waiver that the integrity right should be expanded to include the right to complete a work. Final Report, *supra* note 58, at 156, 193.

204. See, e.g., PA. STAT. ANN. tit. 73, §§ 2102, 2106 (Purdon Supp. 1996) (protects a work in any type of medium if it is of "recognized quality"); N.Y. ARTS & CULT. AFF. LAW § 14.03(3)(e) (McKinney 1996) (protects fine art in limited editions of not more than three hundred copies); R.I. GEN. LAWS § 5-62-2 (Michie 1994) (protects fine art in limited editions of not more than three hundred copies); see also *supra* note 171 (Louisiana, Maine, New Jersey, New York and Rhode Island extend moral protection to reproductions of covered works).

205. See *supra* note 172 and accompanying text.

206. 17 U.S.C. § 101 (1994). See also *supra* notes 28-29 and accompanying text.

207. That section states that any such reproduction "is not a destruction, distortion, mutilation, or other modification" as described in § 106A(a)(3). The legislative history indicates that Congress wanted to prevent copyright holders from being liable for routine, everyday uses of their copyrighted material. H.R. REP. NO. 101-514, at 17 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6927. Citing the legislative history, one commentator has stated that the

The legislative history on the preemption issues raised by these exclusions suggests that preemption is not appropriate.²⁰⁸ A report by the House Committee concluded that, with respect to statutes providing relief against a misattribution of a reproduction of a work of visual art, no preemption should result even though VARA does not protect against attribution or integrity violations to reproductions.²⁰⁹ This report is silent, however, as to whether integrity violations to reproductions are preempted.²¹⁰ The legislative history also suggests that state laws with a broader definition of covered works should not be preempted.²¹¹

This same issue has arisen under the 1976 Copyright Act which also omits numerous types of works from the scope of its coverage. For example, courts have taken different views as to whether states should be able to protect ideas, given that the 1976 Act specifically excludes this subject matter from the scope of its protection. In *Mayer v. Josiah Wedgwood & Sons, Limited*,²¹² the court suggested that because copyright law does not protect ideas, a state law offering protection to ideas would not be preempted.²¹³ Still, an argument could be made that even if one believes the states should be allowed to protect some subject matter that is not protected by copyright, the states should not be allowed to offer protection where Congress has specifically excluded certain subject matter. This approach was taken in *Acorn Structures, Inc. v. Swantz*,²¹⁴ where the district court concluded that because the intent

purpose of this provision is "to allow the producer of a motion picture to film a scene in an art gallery without specifying the authorship of all of the works depicted in the gallery, or to allow newspapers or magazines to freely publish photographs of artwork without including the artist's name in the caption of the photo." Zuber, *supra* note 178, at 486.

208. See H.R. REP. No. 101-514, at 22 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6931.

209. *Id.*

210. At least one commentator has suggested that state provisions for reproductions might be preempted since Congress implicitly disapproved of extending a right of "faithful reproduction." See, e.g., Damich, *supra* note 59, at 972.

211. See H.R. REP. No. 101-514, at 21 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6931 ("Consistent with current law on preemption for economic rights, the new Federal law will not preempt State causes of action relating to works that are not covered by the law, such as audiovisual works, [and] photographs produced for non-exhibition purposes").

212. 601 F. Supp. 1523, 225 U.S.P.Q.2d (BNA) 776 (S.D.N.Y. 1985).

213. *Id.* at 1532 n.16, 225 U.S.P.Q.2d (BNA) at 781. See also *Stillman v. Leo Burnett Co., Inc.*, 720 F. Supp. 1353, 13 U.S.P.Q.2d (BNA) 1203 (N.D. Ill. 1989) (holding that a state law claim based on defendants' alleged misrepresentations regarding the idea for a commercial is not subject to preemption).

214. 657 F. Supp. 70, 2 U.S.P.Q.2d (BNA) 1632 (W.D. Va. 1987), *rev'd*, 846 F.2d 923 (4th Cir. 1988).

of copyright law is to allow the free flow of ideas, permitting a state law breach of contract action based on the use of an idea "would conflict with the implicit goals of the Copyright Act."²¹⁵

Only one case has been decided under VARA which expressly involved the issue of whether an action under state laws to compel a right to attribution with respect to subject matter excluded from VARA's scope should be preempted. In *Gegenhuber v. Hystopolis Productions, Inc.*,²¹⁶ the court held that state law breach of contract and deceptive trade practice actions based on defendants' failure to provide a right of attribution should not be removed to federal court since VARA does not apply to the puppets, costumes, and show sets which were the subject matter at issue in that case.²¹⁷ In its ruling, the court noted that the definition of "work of visual art" is "silent as to a whole slew of copyrightable works," and that "if a type of work is not included in the definition of 'visual art,' the copyright laws afford an author no entitlement to attribution, even where the author's work may otherwise be copyrightable."²¹⁸ The court noted that it would not "read into VARA that which Congress has evidently chosen to leave out."²¹⁹

When considering subject matter which is expressly excluded from VARA's coverage, we need to consider whether Congress has exercised its judgment that such categories or works should remain in the public domain, thus preventing the states from enacting laws governing these matters. The same question exists regarding rights that are specifically excluded from protection under VARA. Again, does VARA's denial of these rights mean that the states are expressly excluded from acting on these rights or are they free to substitute their own judgment for that of the federal legislation? This analysis suggests that the preemption question can be approached by viewing VARA as a dividing line between subject matter whose protection is in the public interest

215. *Id.* at 75, 2 U.S.P.Q.2d (BNA) at 1635. The appellate court reversed the district court on the ground that the plaintiff's action was based on an implicit contractual provision and thus did not arise out of copyrightable subject matter. *Acorn Structures, Inc. v. Swantz*, 846 F.2d 923, 926, 6 U.S.P.Q.2d (BNA) 1810, 1813 (4th Cir. 1988).

216. No. 92-C-1055, 1992 WL 168836 (N.D. Ill. July 13, 1992).

217. In *Gegenhuber*, the plaintiffs were professional puppeteers who had designed puppets, costumes and the set for an adult puppet show in Chicago, together with other members of the defendants' ensemble. After the plaintiffs left the ensemble to pursue other opportunities, the puppet show was performed again, but insufficient attribution was credited to the plaintiffs. Plaintiffs instituted their action in state court, but the defendants removed it to federal court, contending that the plaintiffs' claims were preempted by VARA. *Id.*

218. *Id.* at *3.

219. *Id.* at *4.

and subject matter whose lack of protection is in the public interest. In other words, if VARA's omission or explicit rejection of certain subject matter means that this matter should be in the public domain, state protection should be preempted.

In enacting VARA, Congress sought to protect artists' personal interests in their works and to preserve society's cultural heritage as reflected in "unique works of art."²²⁰ This second rationale is evident from VARA's prohibitions on destruction,²²¹ the limited type of fine art covered under the statute's scope, and the statute's failure to protect mutilated reproductions or objectionable displays. In light of these important objectives underlying moral rights generally, the fact that Congress limited the scope of VARA's protections to certain types of works does not necessarily mean that Congress believed that moral rights should not attach at any level to other works of authorship. Congress' circumscribed protection for moral rights was, in fact, largely due to the lobbying efforts of major copyright industries, such as publishers and producers of sound recordings and motion pictures who believed that the implementation of moral rights across a wide range of copyrightable works would interfere with "the traditional practices and relationships that are fundamental to the daily operation of copyright-intensive industries in the U.S."²²² As discussed earlier, the legislative history is consistent with the view that states should be free to protect moral rights in conjunction with a wider range of copyrightable works. This analysis suggests that it does not serve the public interest to prevent states from enacting moral rights protections for non-VARA works.

Moreover, for copyrightable works whose coverage is excluded from VARA, it is also necessary to evaluate the impact of the preemptive provisions of the 1976 Act on state laws governing moral rights. In such instances, the preemption determination would be made by looking to the general preemption provisions of the copyright statute, §§ 301 (a) and (b). This is also true for analyzing state statutes governing displays of altered copyrightable works as well as other rights

220. See Gorman, *supra* note 179, at 236. See also *supra* note 182 and accompanying text.

221. The House Report specifically states that the legislation follows a preservation model by protecting against both mutilation and destruction and that this model "recognizes that destruction of works of art has a detrimental effect on the artist's reputation, and that it also represents a loss to society." H.R. REP. No. 101-514, at 16 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6926.

222. Final Report, *supra* note 58, at 120 (quoting the Committee for America's Copyright Community).

implicated by the 1976 Act, but omitted from VARA.

Section 301 essentially articulates a two-prong test for determining whether a particular state law is preempted by the 1976 Act. The first prong of this test focuses on the nature of the work protected by the state law and precludes preemption if the state law does not pertain to "works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright."²²³ In other words, the states are free to regulate all works that are not protected by the copyright law because of their nature or form of expression. The second part of the preemption test emphasizes the nature of the rights that the state law attempts to safeguard. This part involves the equivalency inquiry discussed earlier.²²⁴ Moreover, those portions of a state law that directly conflict with the protections granted by the 1976 Act could be preempted by virtue of "conflict preemption." This results when compliance with both the federal and state law is physically impossible or when the state law poses an obstacle to fulfilling the goals of Congress.²²⁵ Conflict preemption thus derives from a basis completely independent of § 301.

How do the preemption provisions of the 1976 Act apply to state laws that provide rights covered by VARA such as destruction, attribution, and integrity to works outside the scope of VARA? This Author has argued elsewhere that the 1976 Act does not safeguard a creator-copyright owner's right to prevent destruction of her work or mutilations that alter the work beyond recognition, assuming there is no attribution of authorship to the original creator.²²⁶ Therefore, any such

223. 17 U.S.C. § 301(a) (1994).

224. See *supra* notes 173-86 and accompanying text.

225. A conflict preemption case under the 1976 Act is *Ass'n of Am. Medical Colleges v. Carey*, 728 F. Supp. 873, 879, 14 U.S.P.Q.2d (BNA) 1278, 1284 (N.D.N.Y. 1990), *rev'd sub nom*, *Ass'n of Am. Med. Colleges v. Cuomo*, 928 F.2d 519, 18 U.S.P.Q.2d (BNA) 1106 (2d Cir. 1991), wherein the court addressed whether New York's law requiring disclosure of medical school admission test questions and related materials was preempted because it denied the plaintiff who owned the copyright to the tests benefits safeguarded by the copyright statute. The district court granted the plaintiff's motion for summary judgment, finding that a preemption conflict existed between the state law and the federal copyright law, and that the state law's disclosure requirement is not within the scope of fair use. *Id.* at 889, 14 U.S.P.Q.2d (BNA) at 1291. The district court thus permanently enjoined the state from enforcing the law. The Second Circuit reversed the district court on the ground that summary judgment was inappropriate given that certain material fact questions existed which precluded an award of summary judgment. *Association of American Medical Colleges v. Cuomo*, 928 F.2d 519, 18 U.S.P.Q.2d (BNA) 1106 (2d Cir. 1991). One judge wrote a separate opinion questioning the district court's conclusion on the preemption question. *Id.* at 526, 18 U.S.P.Q.2d (BNA) at 1111 (Mahoney, J., concurring in part and dissenting in part).

226. See *An American Marriage*, *supra* note 55, at 90.

state protections would not be equivalent to rights provided under the 1976 Act. Still, such state laws could be preempted on the ground that they conflict with the spirit of the 1976 Act. The legislative history apparently sanctions a copy owner's right to destroy his lawfully made copy.²²⁷ Similarly, the 1976 Act does not specifically protect an author's right to compel recognition for her work and to prevent the designation of anyone else as the author. Therefore, such state-created rights technically would not be equivalent to anything specified in the 1976 Act. However, because the 1976 Act does not require either the copyright owner or the copy owner to provide attribution with a public display or performance of a work, such state laws could conflict with the spirit of the 1976 Act. Significantly, however, the court in *Gegenhuber* did not perform such an analysis, but simply concluded that the state laws were not preempted because plaintiffs' "right of attribution for the creation, design, and direction" of the puppet show "does not fall under VARA and thus is not within the subject matter of copyright."²²⁸

Regarding state-created rights of integrity for non-VARA works, unauthorized modifications by one other than the copyright owner are actionable under § 106(2) of the 1976 Act, which safeguards the copyright owner's right to prepare derivative works based upon the copyrighted work.²²⁹ Therefore, any state laws safeguarding an author's right of integrity in these circumstances would be equivalent to rights provided in the 1976 Act which safeguards the copyright owner's right to prepare derivative works. Moreover, this Author has also argued that the 1976 Act also safeguards an author's rights of integrity and attribution under § 106(2) when authorized adapters make mutilating changes in an author's work and designate the resulting product as "based upon" the creator's underlying work.²³⁰ In such instances, the adapter's actions exceed the scope of his rights and therefore he should be liable for copyright infringement. Thus, to the extent state moral rights laws attempt to provide similar protections for the right of integrity, a strong preemption argument can be made.

To assess the validity of state rights that are not within the scope of VARA, it is necessary to consider the application of the 1976 Act for both VARA and non-VARA works. The 1976 Act guarantees that the

227. See *supra* note 133 and accompanying text.

228. *Gegenhuber v. Hystopolis Prods., Inc.*, No. 92-C-1055, 1992 WL 168836, *4 (N.D. Ill. July 13, 1992).

229. 17 U.S.C. § 106(2) (1994).

230. See *An American Marriage*, *supra* note 1, at 46; see also *supra* note 138 and *infra* note 235 and accompanying text.

creator of a work is the only one who can possess any rights in the uncompleted work and is the only one who can decide upon the timing of disclosure of her work.²³¹ These provisions of the 1976 Act raise the issue of whether states can enact laws which protect a creator's right of disclosure for copyrightable works. Similarly, the 1976 Act guarantees a copyright owner the right to display her work subject to the exception that the copy owner can display his copy of the work publicly.²³² Thus, should states be free to enact statutes prohibiting the displays of altered, copyrightable works, and can states prohibit objectionable contextual displays of copyrightable works?

This Author has argued elsewhere that any state-created protection for a creator's right of disclosure would be redundant of the protections offered by the 1976 Act, and thus would be preempted to the extent the state rights apply to works within the scope of the 1976 Act.²³³ With respect to state laws prohibiting displays of copyrightable works, the analysis is a bit more complicated. If a creator has retained the copyrights in her work, she of course can sue for any unauthorized modifications or displays based on copyright infringement.²³⁴ If the creator has assigned the copyrights in her work to another, and that party alters the work in an objectionable fashion and displays it with an attribution of authorship to the original creator, a strong argument can be made that such action also can be redressed under the 1976 Act. Under this theory, the copyright owner's actions go beyond the scope of his copyright and, therefore, the original creator should be able to sue for copyright infringement even if she has assigned all of her copyrights in the work.²³⁵ Therefore, state laws which prohibit the display of altered

231. 17 U.S.C. §§ 201(a), 101 (1994). Section 201(a) provides that the copyright "in a work protected under this title vests initially in the author or authors of the work" and § 101 provides that a work is "created" under the copyright law "when it is fixed in a copy or phonorecord for the first time."

232. *Id.* §§ 106(5), 109(c).

233. *See An American Marriage*, *supra* note 1, at 87. Moreover, any state law that attempted to guarantee a creator a perpetual right of disclosure would conflict with the "limited time" and "public domain" concepts critical to the federal protection, and thus would be preempted. *Id.* at 87-88.

234. *See* 17 U.S.C. § 106 (1994); *supra* text preceding note 230.

235. The Author has developed this argument elsewhere. *See An American Marriage*, *supra* note 55, at 40-49. Essentially, this argument is predicated on the theory that the performance of such alterations and resulting false attribution constitutes an infringement under § 106(2). If the mutilated work is displayed, this would also infringe § 106(5). If the creator has assigned all of the copyrights in her work, she should still be allowed to sue as a "beneficial" owner under § 501(b). *Id.* at 47-56. *See also supra* notes 138, 230 and accompanying text.

works in these circumstances arguably provide a right which is equivalent to that in the 1976 Act. Moreover, state protection for creators whose works are displayed or performed in a context that is objectionable to the author arguably would also be preempted on the ground that such protection could conflict with appropriate applications of the fair use doctrine.²³⁶ Such protection also could conflict with the rights of display guaranteed by the 1976 Act to copyright and copy owners who fail to include qualifications about context.²³⁷

As discussed earlier, the test for equivalency also can include an analysis of the objectives of the state law as compared with the federal law.²³⁸ The objective of the 1976 Act is to provide the necessary economic incentives to foster creation. In contrast, state statutes governing moral rights have a different objective from copyright law in that they seek to safeguard a creator's personal rather than pecuniary rights in her work. Under an "objectives" standard, it is possible that no preemption would result even though the necessary elements that are required to bring a cause of action under the state law are no different from those required under copyright law. This analysis indicates that an "objectives" test will yield a different result than a pure "elements"

236. 17 U.S.C. § 107 (1994). The fair use doctrine allows the unauthorized use of certain copyrighted works as a "means of balancing the exclusive rights of a copyright holder with the public's interest in dissemination of information affecting areas of universal concern, such as art, science and industry." *Wainwright Sec. Inc. v. Wall St. Transcript Corp.*, 558 F.2d 91, 94, 194 U.S.P.Q. (BNA) 401, 402 (2d Cir. 1977), *cert. denied*, 434 U.S. 1014 (1978) (enjoining defendants from publishing abstracts of plaintiff's financial research reports). Application of the fair use doctrine is extraordinarily flexible and very fact-based. Still, § 107 provides some guidance by codifying the following four factors for determining whether a particular use is a fair use: (1) the purpose and character of the use, (2) the nature of the copyrighted work, (3) the amount and substantiality of the part used with respect to the entire copyrighted work, and (4) the use's effect on the potential market for the copyrighted work. 17 U.S.C. § 107 (1994). The fair use doctrine thus recognizes that copyright law's monopoly privileges, if applied without limitation, have the potential for restricting creativity and free expression. Similarly, such restrictions also can arise from moral rights protections, and therefore it is appropriate to circumscribe the scope of moral rights through the fair use doctrine. See *An American Marriage*, *supra* note 1, at 65-66. When Congress enacted VARA it clearly provided that it was subject to § 107, even though the legislative history recognized that fair use claims are unlikely to arise under VARA "given the limited number of works covered by the Act, and given that the modification of a single copy or limited edition of a work of visual art has different implications for the fair use doctrine than does an act involving a work reproduced in potentially unlimited copies." H.R. REP. No. 101-514, at 22 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6932. See also Geri J. Yonover, *The "Dissing" of Da Vinci: The Imaginary Case of Leonardo v. Duchamp: Moral Rights, Parody, and Fair Use*, 29 VAL. U. L. REV. 935 (1995).

237. See *supra* note 232 and accompanying text.

238. See *supra* notes 177, 181-85 and accompanying text.

test when applied to state laws purporting to confer more than economic benefits, but which are capable of being infringed merely by the performance of one or more of the rights safeguarded by the copyright statute.

As the foregoing discussion illustrates, state created moral rights statutes covering non-VARA copyrightable works face a strong possibility of preemption by virtue of the 1976 Act.²³⁹ Therefore, the need for greater moral rights protections for works other than those covered by VARA is manifest. Even though VARA avoided these preemption issues by creating its own preemption provisions for the type of visual art covered under the statute, the foregoing discussion also illustrates that the scope of VARA's preemption provisions is somewhat murky. Additionally, the language of § 301(f) is curious in that it leaves open the possibility that federal causes of action which provide equivalent rights for VARA works are also preempted. This ambiguity stems from the fact that the first sentence of § 301(f)(1) provides that "all legal or equitable rights that are equivalent to any of the rights conferred by § 106A with respect to works of visual art ... *are governed exclusively* by § 106A and § 113(d) and the provisions of this title relating to such sections."²⁴⁰ The second sentence, however, states that "no person is entitled to any such right or equivalent right in any work of visual art under the common law or statutes of *any State*."²⁴¹ This discrepancy is especially significant, because plaintiffs alleging moral rights violations, both with respect to VARA and other copyrightable works, often file a count under § 43(a) of the Lanham Act.²⁴²

239. See *supra* notes 226-30.

240. 17 U.S.C. § 301(f)(1) (1994) (emphasis added).

241. *Id.* (Emphasis added.)

242. Section 43(a) of the Lanham Act prohibits false designations of origin. 15 U.S.C. § 1125 (1994). In *Wojnarowicz v. American Family Assoc.*, 745 F. Supp. 130, 17 U.S.P.Q.2d (BNA) 1337 (S.D.N.Y. 1990), the court refused to apply § 43(a) because the pamphlet containing the objectionable copies of the plaintiff's art work was not employed in the "advertising or promotion" of goods or services. *Id.* at 141, 17 U.S.P.Q.2d (BNA) at 1347. See also notes 200-02 and accompanying text; see also *Playboy Enters., Inc. v. Dumas*, 831 F. Supp. 295, 28 U.S.P.Q.2d (BNA) 1561 (S.D.N.Y. 1993) (magazine's use of plaintiff artist's name to advertise posters based upon works created by artist that had appeared in magazine); *Lish v. Harper's Magazine Found.*, 807 F. Supp. 1090, 25 U.S.P.Q.2d (BNA) 1081 (S.D.N.Y. 1992) (magazine published edited version of plaintiff writer's letter to his students). In both *Dumas* and *Lish*, the courts determined that although § 43(a) could apply to these types of situations, the plaintiffs had not sustained their burdens of proof regarding the falsity of the defendants' messages.

Although most preemption questions derive from whether state protection is inconsistent with federal protection, there has been litigation on the issue of whether the federal intellectual property regimes are preemptive of one another, thus precluding simultaneous protection

The most logical way to resolve this ambiguity is to interpret VARA in a similar manner to the 1976 Act and to leave federal causes of action unaffected by VARA.²⁴³ Most likely, this ambiguity is the result of VARA's hasty passage. Had Congress intended to alter the well established tradition of allowing other federal causes of action, presumably more significant discussion would have ensued.

III. THE WAIVER ISSUE AND THE 1996 FINAL REPORT OF THE REGISTER OF COPYRIGHTS

Section 106A(e)(1) provides that although an author's VARA rights cannot be transferred, they can be waived "if the author expressly agrees to such waiver in a written instrument signed by the author."²⁴⁴ That section also provides that the instrument must "specifically identify the work, and uses of that work, to which the waiver applies, and the waiver shall apply only to the work and uses so identified."²⁴⁵ Moreover, the statute provides that one joint author can waive the specified rights for all of the other joint authors pursuant to a written instrument.²⁴⁶ When VARA was enacted, Congress directed the Copyright Office to commission a report on the impact of the

under patent, copyright and trademark law. Underlying this idea is that the Copyright Clause sets out two mutually exclusive domains: the private property and public sphere domains. Under this view, anything that is unprotectable under copyright or patent law must be in the public domain. *See, e.g., Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896) (in suit by Singer to enforce trademarks established just prior to the expiration of its sewing machine patents, the Court refused to allow Singer to enforce its trademarks on the theory that such enforcement would impermissibly extend its monopoly privileges). Recent cases have, however, questioned the doctrine of trademark/patent preemption. *See, e.g., Kohler Co. v. Moen Inc.*, 12 F.3d 632, 29 U.S.P.Q.2d (BNA)1241 (7th Cir. 1993) (holding that trademark protection for product configurations is not in conflict with patent law). *See also In re Yardley*, 493 F.2d 1389, 181 U.S.P.Q. (BNA) 331 (C.C.P.A. 1974) (court allowed the PTO to issue a design patent for a copyrighted article).

243. *See* 1 MELVILLE B. NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT 1.01[D] (1995).

244. 17 U.S.C. § 106A(e)(1) (1994).

245. *Id.*

246. *Id.* The legislative history notes that this provision "is consistent with current practice under title 17, in which one joint author may exploit the economic rights in a work, subject only to a duty to account to other joint authors for any profits earned from that exploitation. Similarly, if a joint author waives the right of attribution or integrity in exchange for compensation, that joint author has a duty to account to the other joint authors." H.R. REP. NO. 101-514, at 19 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6929. Still, a strong argument can be made that allowing one joint author to waive the rights under VARA for all other joint authors significantly undermines the rationale for moral rights protection. The Register of Copyrights recognized this argument in its recommendation that this provision of VARA should be amended. *See infra* note 285 and accompanying text.

waiver provisions.²⁴⁷ An Interim Report was filed on December 1, 1992,²⁴⁸ and the Final Report was issued in March 1996.²⁴⁹ This section explores in detail the content of the Final Report and its recommendations. As there have not been a large number of cases interpreting VARA, the Final Report represents one of the most important research tools for studying the impact of VARA on visual art.

The primary vehicle for examining the waiver issue for the Final Report was a comprehensive questionnaire sent on a national basis to visual artists, art lawyers, agents, dealers, associations, and others working with visual artists.²⁵⁰ The Copyright Office mailed about 6800 surveys in total, and hundreds of these surveys were duplicated by their recipients. In response to the survey, the Copyright Office "received responses from 21 Volunteer Lawyers for the Arts groups, 42 state arts councils, and 55 art schools."²⁵¹ In terms of individual numbers, 1061 people from 47 states provided written responses, 955 of whom categorized themselves as "visual artists" within the meaning of the copyright law.²⁵² The other respondents maintained a professional connection to the arts community in a wide variety of capacities.²⁵³

The survey, which has been reproduced in Appendix A at the end of this Article, was designed to show how VARA generally, and the waiver provisions specifically, have affected visual artists. Its primary goal was to determine whether waivers in art contracts routinely occur based on the disparity of the parties' relative bargaining power.²⁵⁴ The survey also had an educational objective and thus began with a short explanation of VARA and included various excerpts from the statute. Simplicity was a key feature of the survey in that the language was designed for laypeople and where possible, the questions could be an-

247. See H.R. REP. NO. 101- 514, at 22 (1990), *reprinted in* 1990 U.S.C.C.A.N. 6915, 6932.

248. With respect to the Interim Report, the Copyright Office only received seven comments in response to the Notice of Inquiry published in the Federal Register. See Final Report of the Register of Copyrights, *Waiver of Moral Rights in Visual Art Works* 123 (Mar. 1, 1996) [hereinafter Final Report].

249. *Id.*

250. *Id.* at 124. According to The Final Report, "[t]he survey was distributed through a network of state art councils, volunteer lawyers for the arts, and art schools, as well as various national arts organizations." *Id.*

251. *Id.* at 126.

252. *Id.* at 131.

253. *Id.*

254. *Id.* at 127. The survey also asked whether waivers only occur in the context of written contracts, as per the statute's requirements.

swered with either a "yes," a "no," or multiple choice responses.²⁵⁵ In addition to distributing the survey, the Copyright Office elected to study the waiver issue by reaching out to members of the art community for discussions and sponsoring panel discussions on VARA that were co-sponsored by various arts organizations.²⁵⁶

The survey contained four parts. The first part sought information on the level of VARA awareness, thus reinforcing the survey's educational goal. The second part was directed specifically at visual artists and inquired about their professional background and experience with waivers of attribution and integrity rights. It asked whether the artist had ever been subjected to pressure to waive these rights and whether the artist would be willing to waive these rights in future contracts. The third part requested descriptions of art contracts, and the fourth part requested any additional comments.²⁵⁷

The responses to the survey were tabulated in several fashions. First, a gross tabulation was performed for each survey question. Then, certain questions were analyzed according to a group of specific response groups such as those artists earning less than \$10,000 annually. These comparisons facilitated the creation of a set of tables that compared the responses to certain questions among the various response groups. Finally, additional comparisons were performed for the following five categories: "awareness of moral rights and how they operate under VARA; the frequency with which artists are asked to waive moral rights; the effect of such waivers on artists' bargaining positions; the actual content of existing waiver clauses; and how commission contracts compare to other artists' contracts in relation to these categories."²⁵⁸ New tables then were generated from the information obtained with respect to these five categories.

The Final Report summarizes the information obtained relevant to the five categories. Much of the information is not surprising. Seventy-three percent of the respondents were aware that visual artists had moral rights, but only forty-one percent were aware that they could be

255. *Id.* at 124. Prior to distributing the survey, the Copyright Office circulated a draft of it to selected law professors, attorneys, museum directors and art association dealers for input. *Id.* at 125.

256. These co-sponsors were the Washington Area Lawyers for the Arts, National Artists Equity, National Endowment for the Arts, and Volunteer Lawyers for the Arts of Massachusetts, all of whom presented three panel discussions in their respective geographical regions. *Id.* at 126.

257. *Id.* at 128.

258. *Id.* at 129-30.

waived.²⁵⁹ Those artists who were represented by an agent or who had derived a higher annual gross income from their artwork had a higher awareness of the waiver's operation. Significantly, those artists from states with moral rights statutes enacted prior to VARA had a higher degree of general moral rights awareness, but no greater awareness of waiver. Appendix B contains the Table of Responses for Awareness.²⁶⁰

The responses on Frequency show a relatively low level of waiver frequency and perception of waiver frequency. Only eight percent of the respondent artists said they had waived moral rights, and twenty-three percent knew of other artists who had been asked to waive. Sixty-one percent of the respondents said that oral contracts are most commonly used.²⁶¹ Appendix C contains the Tables of Responses for Frequency.

With respect to the effect of waivers on artists' bargaining positions, only eight percent of the respondent artists said they would be willing to waive their moral rights. Thirteen percent said they had turned down offers because of a waiver provision in the contract, and fourteen percent had insisted on striking a waiver clause before signing an agreement. Again, those artists who were represented by an agent or who had a higher annual gross income derived from their art work were less likely to waive.²⁶² Sixty-nine percent of the respondent artists said they didn't know whether rejecting a request for a waiver of moral rights would defeat the art sale.²⁶³ Six percent of the artist respondents had been pressured into waiving their moral rights.²⁶⁴ Appendix D contains the Tables of Responses for Effect of Waiver on Bargaining Position.

Regarding the content of the waivers, the survey yielded relatively little useful information.²⁶⁵ Sixty percent of the respondents who had seen waivers agreed that the waivers they had encountered specifically identified the work and the uses of that work to which the waiver would apply. Only thirty-five percent said that the contracts contained a separate price for the waiver. More of the respondents believed the integrity right was waived more often than the attribution right, but the

259. *Id.* at 132. Only 32% knew that the waiver had to be by an express written instrument signed by the artist and specifying the work to which the waiver applied.

260. *Id.* at 132-33.

261. *Id.* at 135.

262. *Id.* at 135-36.

263. *Id.* at 136.

264. *Id.* at 137.

265. *Id.* at 187.

difference probably is too small to be significant.²⁶⁶ Appendix E contains the Tables of Responses for Content of Waivers. Finally, no summary of information or tables were provided for the fifth category of information, how commission contracts compare to other artists' contracts.

In addition to distribution of the survey, a public hearing on the effect of VARA's waiver provisions was held in the Copyright Office on June 21, 1995. The participants were grouped into four panels plus a Copyright Office panel.²⁶⁷ Several individuals also provided written comments to the Copyright Office.²⁶⁸ Although the various participants did not always agree with one another, several key issues emerged. First, several respondents believed that the relatively low level of VARA awareness among artists makes it difficult to assess the impact of VARA's waiver provisions.²⁶⁹ Second, a significant distinction emerged between movable artwork and works incorporated into buildings pursuant to § 113 of the statute. In general, waivers for movable artwork were disfavored by artists and believed to be impractical given the oral nature of these transactions.²⁷⁰ In contrast, for works incorporated into buildings, virtually all of the participants expected to see an increase in waivers in the wake of the district court decision in *Carter* and most panelists recognized the need for such waivers.²⁷¹ The same prediction for increased numbers of waivers was also made for commissions of installed pieces, regardless of whether they are incorporated into buildings.²⁷²

VARA's provision that one joint author can waive VARA rights on behalf of other joint authors was severely criticized by several parties.²⁷³

266. *Id.* at 137-38.

267. *Id.* at 139.

268. Those furnishing the Copyright Office with written commentary included artist John Carter (one of the plaintiffs in *Carter v. Helmsley-Spear*); Professor Edward J. Damich of the George Mason University School of Law; attorney Deborah L. Benson; Dr. Carol Pulin, Director of the American Print Alliance; the National Endowment for the Arts; and Dr. Theodore H. Feder, Director of the Artists Rights Society. *Id.* at 148-57.

269. *Id.* at 157.

270. *Id.* at 158.

271. *Id.* at 159. In fact, Helmsley-Spear, Inc., submitted sample language for a new provision to be included in its lease agreements with potential tenants. This provision provides that the tenant agrees that it will not install any art work within the scope of VARA without first obtaining a waiver from the artist that is satisfactory to the landlord. Any artwork installed without the requisite waiver is deemed a trespass and is removable by the landlord with one day's notice. *Id.* at 178.

272. *Id.* at 161. See also *infra* note 279.

273. *Id.* at 162.

A disagreement among the participants existed as to whether the scope of moral rights protections should be widened.²⁷⁴ Some commentators recommended expanding the duration of moral rights protections so that they are co-extensive with the term of copyright protection.²⁷⁵ One commentator noted the reluctance of insurance companies to indemnify property owners or artists for damages related to VARA infringements,²⁷⁶ an issue which has already prompted the initiation of lawsuits.²⁷⁷ Another commentator also believed that fear of retaliation on the part of artists gives rise to an overall reluctance to enforce VARA rights.²⁷⁸

Based on the input from the survey as well as the oral and written testimony of the various participants, the Register of Copyrights made the following recommendations: (1) more VARA education must be directed to those in the art community;²⁷⁹ (2) Congress should contemplate clarifying VARA so as to illuminate more directly its intent that "waiveability specifically identify the uses to which waiver applies;"²⁸⁰ (3) no modification of § 113 is needed at the present time in view of the consensus that waivers are necessary for works incorporated into buildings;²⁸¹ (4) given the inconclusive evidence on whether eliminating

274. *Id.* The National Endowment for the Arts advocated expansion to all visual media while representatives of copyright industries opposed any such expansion.

275. *Id.* at 163.

276. *Id.*

277. In *Moncada v. Rubin-Spangle Gallery, Inc.*, 835 F. Supp. 747 (S.D.N.Y. 1993), an artist had painted a wall mural on a building across from a Soho gallery, after having obtained appropriate permission from the building tenant. The owner of the gallery directed one of her employees to paint over the mural, and when the artist attempted to videotape this destruction, the gallery owner placed her hand over the lens of artist's camcorder to prevent him from videotaping. The plaintiff artist, alleging that this action resulted in an eye injury, sued the gallery for malicious assault and for violating VARA. The gallery owner filed a third-party complaint against Aetna Casualty and Surety Company under the gallery's general liability policy. Aetna moved to dismiss on the ground that the policy did not cover the gallery owner's intentional action. The court concluded that injuries flowing directly from an intentional act are not accidental and therefore Aetna had no duty to defend. The court did not resolve the VARA issue. See also *Pfaff v. Denver Art Museum*, No. 94 Civ. 9271, 1995 U.S. Dist. LEXIS 8573 (S.D.N.Y. June 20, 1995) (in action by plaintiff artist against museum employee for destruction of her art work, plaintiff alleged that the museum acknowledged fault and requested that Aetna compensate her but the company refused); Final Report, *supra* note 248, at 104-05. Also, in *Lubner v. Los Angeles*, 53 Cal. Rptr. 2d 24 (Ct. App. 1996), see *supra* notes 79-84 and accompanying text, the Lubners' negligence action against Los Angeles was filed for property damages exceeding the limits of their insurance policy.

278. Final Report, *supra* note 248, at 163.

279. *Id.* at 186.

280. *Id.* at 189.

281. *Id.*

the waiver provision for everything but non-moveable art would strengthen artists' bargaining power or impact them negatively, and, given that most contracts for the sale of moveable art are oral and thus incapable of including a valid waiver provision, no legislative change on waiveability for moveables probably is warranted at this time;²⁸² (5) if Congress eventually does abolish the waiver provision for moveable art, it should consider retaining waiver for installed works that are not incorporated into a building;²⁸³ (6) Congress should consider amending § 106A so that it parallels § 113(d)(2) by assuring creators "of all statutory works of visual art the right within a specified period to remove or pay for removal of their works before the works are to be destroyed or mutilated";²⁸⁴ and (7) amending VARA to provide that one joint author cannot waive the moral rights of the other joint authors absent their written consent.²⁸⁵

Proponents of moral rights undoubtedly are disappointed that the Register of Copyrights made no recommendations with respect to broadening the scope of moral rights protections, although in all fairness such issues were outside the mandate of the Final Report. The Report did conclude by noting that since there is an overall lack of knowledge in the artistic community about moral rights and a low level of contractual experience with waivers, Congress could reexamine the impact of the waiver provisions and other related issues at some time in the future. If such a reexamination occurs, Congress could also decide whether these other issues warrant further consideration.²⁸⁶

282. *Id.* at 190-91. Significantly, the Report noted that "[u]nless written contracts for moveables become more prevalent, VARA will at least have strengthened artists' rights in the letter of the law." *Id.* at 191.

283. *Id.* Examples of such works include site-specific works, major commissioned works, and large government commissions. A site-specific work "is one which is conceived and created in relation to the particular conditions of a specific site" and is therefore meaningful only when it is displayed in the particular location for which it was created. *Serra v. U.S. Gen. Servs. Admin.*, 847 F.2d 1045, 1047 (2d Cir. 1988) (quoting sculptor Richard Serra). The well-known *Serra* case, which was decided prior to VARA's enactment, involved such a work. The Second Circuit held that Serra had relinquished his free speech rights in his controversial sculpture, "Tilted Arc," when he sold it to the government. Therefore, the government's removal of the sculpture from the Federal Plaza in Manhattan and its relocation did not violate Serra's First Amendment rights. Significantly, the removal of a work, without more, is not actionable under VARA.

284. *Id.* This proposal would insure the strengthening of "artists' integrity rights without abolishing purchasers' statutory rights to secure a waiver."

285. *Id.* at 192.

286. *Id.* at 194.

IV. CONCLUSION

The enactment of VARA represented a clear response to society's interest in protecting the personal rights of authors and preserving our cultural heritage. Still, were it not for the vagaries of Congressional politics in 1990, visual artists still might not possess their limited moral rights protections.²⁸⁷ It remains to be seen whether VARA is capable of making a real difference in the visual arts community. Notwithstanding VARA, we cannot be complacent about the sufficiency of moral rights protections in this country. Although most academic observers believed at the time of VARA's enactment that this legislation "should be regarded as an initial, extremely tentative step toward a federal regime for moral rights,"²⁸⁸ no real progress has been made with respect to further strengthening our nation's protection for moral rights. This lack of protection is especially disturbing given the increasing prominence intellectual property plays in our society by virtue of continually evolving technology. Unfortunately, we are still a long way from realizing the recent prediction made in a symposium sponsored by the Volunteer Lawyers for the Arts that by the year 2020 moral rights will have "completely swept the country."²⁸⁹

287. See *supra* note 20 and accompanying text.

288. Editors, *The 101st Congress: A Review of Amendments to the Copyright Act*, 37 J. COPYRIGHT SOC'Y 462, 466 (1990). See also Edward J. Damich, *The Visual Artists Rights Act of 1990: Toward a Federal System of Moral Rights Protection for Visual Art*, 39 CATH. U. L. REV. 945, 996-98 (1990).

289. Symposium Sponsored by Volunteer Lawyers for the Arts, *Identity Crisis: A Vision for the Right of Publicity in the Year 2020*, 20 COLUM.-VLA J.L. & ARTS. 1, 19 (1995) (commentary by Rick Kurnit).

Appendix A

Effect of Waiver Provisions on Artists Covered by the Visual Artists Rights Act: U.S. Copyright Office Survey

Purpose and Instructions:

The Visual Artists Rights Act (VARA) of 1990 gives the author of a "work of visual art," as defined in the Act, the rights of Attribution (right to receive name credit) and integrity (right to prevent distortion of work). These are sometimes referred to as "moral rights." See 17 U.S.C. 101 and 106A (reproduced on page six of this survey).

In preparing a report for Congress, we need to determine how authors of works of "visual art" are affected by the waiver provisions in VARA. This survey is designed to elicit information on those effects. The survey has four parts. All participants should answer Parts I and III. Only VARA visual artists, as defined below,¹ need to answer Part II. Part IV is for any additional comments and is optional. Please check the appropriate response or responses or complete your answer in the space provided. Unless otherwise directed, please return your survey no later than January 15, 1995, to VARA Waiver Study, Copyright GC/I&R, P.O. Box 70400, Southwest Station, Washington, D.C. 20024. Thank you for your participation.

PART I

1. Before receiving this survey, were you aware that artists who created certain visual works had moral rights in works of visual art?

_____yes

_____no

2. a. Before receiving this survey, were you aware that these rights can be waived? See 17 U.S.C. § 106A(e) (reproduced on page 6).

_____yes

_____no

1 A VARA visual artist is one who creates a painting, drawing, print, sculpture or still photo image for exhibition purposes in a single copy or limited edition of 200 copies or fewer that also meets the other criteria set out in 17 U.S.C. § 101 (see page 6).

b. Were you aware that an artist can waive these rights only by an express, written agreement signed by the artist specifying the work and uses of the work to which the waiver applies?

_____yes _____no

3. This survey uses the term "visual artist" to refer to an author of a "work of visual art" as defined by 17 U.S.C. § 101. (See definition below at note 1.)

a. Do you feel you are covered by that definition?

_____yes _____no

b. If you are not covered by that definition, what is your connection to the art world?

_____ professor _____ art historian
 _____ art student _____ art lawyer
 _____ artist who creates works not covered by VARA
 other (specify) _____

If you are not a visual artist as defined in VARA, please go to Part III of the survey.

PART II

Visual artists should answer these questions.

4. What type of artwork do you create?

_____ painting _____ still photo _____ drawing
 _____ print _____ sculpture _____ other

5. In what state do you reside? _____

6. a. Has your art been exhibited outside your resident state?

_____yes _____no

b. If yes where? _____

7. Are you represented by an agent, artists' representative, or gallery?

_____ an agent _____ an artists' representative
 _____ a gallery _____ no representative

8. In an average year how much gross income does your art work

provide?

_____ \$0-10,000 _____ \$10,000-20,000
 _____ \$25,000-40,000 _____ \$40,000+
 _____ none

9. Does sale of your work provide your sole income?

_____ yes _____ no

10. a. Have you ever waived your rights to attribution or integrity in a signed contract?

_____ yes _____ no _____ don't know

b. If you answered yes, approximately how many times?

_____ 1-5 _____ 6-15 _____ over 15

c. For what reasons have you waived these rights? (Check as many responses as apply.)

_____ to gain exposure _____ to receive additional money

_____ to gain favor with someone _____ to make a sale

Other (please fill in) _____

11. a. Have you ever turned down an offer because the contract contained a waiver of moral rights?

_____ yes _____ no

b. Have you ever insisted that a waiver clause be struck from a contract before agreeing to sign it?

_____ yes _____ no

c. In your experience, does rejection of a request for waiver of these rights usually mean there will be no deal?

_____ yes _____ no _____ don't know

12. a. Have you ever been pressured or coerced into waiving your moral rights in a work?

_____ yes _____ no

b. If yes, how? _____

13. Approximately how often are you commissioned to create a

work each year?

_____ never _____ 1.5 times
 _____ 6-15 times _____ more than 15 times

14. Approximately how many of those commissions included waiver requests?

_____ none _____ less than half
 _____ about half _____ more than half

15. Of the waiver requests mentioned in question 14, approximately how many waivers did you grant?

_____ none _____ less than half
 _____ about half _____ more than half

16. Would you be willing to waive these moral rights in future contracts?

_____ yes _____ no _____ don't know

17. If you answered yes in question 16, in what situations would you be willing to waive these rights? (Check as many responses as apply).

_____ to gain exposure _____ to receive additional money

_____ to gain favor with someone _____ to make a sale

Other (please fill in) _____

18. a. Do you know of other visual artists who have been asked to waive these rights?

_____ yes _____ no

- b. If yes, approximately how many artists?

_____ 1-5 _____ 6-15 _____ 16 and over

PART III

All participants should answer these questions.

19. Into what kind of art-related contracts have you entered?

(Check as many responses as apply).

- a. ☐ to produce a commissioned work
- b. ☐ to purchase a work
- c. ☐ for consignment
- d. ☐ to represent as agent or dealer
- e. ☐ to represent as attorney
- f. ☐ other g. ☐ none

20. Have you seen any contracts that contain a clause waiving moral rights in a work of visual art?

☐ yes ☐ no

21. The law requires that an artist expressly agree to a waiver by signing a written agreement that specifically identifies the work and the uses of that work to which the waiver applies. Are the waiver provisions that you have encountered in written contracts specific in this regard?

☐ yes ☐ no ☐ don't know

- a. Are the works for which waivers are requested sufficiently identified?

☐ yes ☐ no ☐ don't know ☐ n/a

- b. Are the uses of the works sufficiently identified?

☐ yes ☐ no ☐ don't know ☐ n/a

22. In your experience, if a contract contains a waiver provision, is there a separate price for giving up these rights?

☐ yes ☐ no ☐ N/A

23. Does the "art work with waiver" sell for more money than the "art work without waiver"?

☐ yes ☐ no ☐ N/A

24. What kind of contracts are most common in the art world?

☐ written ☐ oral ☐ don't know

25. In your experience, are waivers of moral rights routinely included in artists' written contracts?

_____yes _____no _____don't know

26. Are such waivers included in contracts:

a. For sales of existing artwork?

_____yes _____no _____N/A

b. For commissioned artwork?

_____yes _____no _____N/A

c. Other contracts (please specify). _____

27. In your experience, does rejection of a request for waiver of these rights usually mean there will be no deal.

_____yes _____no _____don't know

28. Are waivers usually limited in time?

_____yes _____no _____don't know

29. Are waivers requested more frequently for works to be installed or incorporated into buildings than they are for works easier to move?²

_____yes _____no _____don't know

30. Is one right e.g., the right to attribution or the right to integrity, waived more often than the other?

_____attribution _____integrity
_____neither _____don't know

PART IV

31. Please include any additional comments on the issues addressed in this survey or add information to your answer to any of the above questions.

² VARA contains special provisions relating to work incorporated into a building where the work's removal wither would cause its destruction or modification or is governed by an agreement between the artist and the building owner. *See generally* 17 U.S.C. § 113(d).

Appendix B

Table of Responses for Awareness

Category of Respondents	Aware of Moral Rights		Aware they can be waived		Aware Waiver Must be Written & Express	
	%	Base*	%	Base*	%	Base*
Total respondents	73	1054	41	1046	32	1037
Those with no representative	70	420	41	417	33	414
Those represented by an agent or artists' representative	77	148	48	147	42	147
Those represented by a gallery	75	434	40	430	30	427
Those whose art provides gross income exceeding \$25,000 annually	74	90	56	90	45	89
Those whose art provides gross income less than \$25,000 annually (including no annual income)	72	820	39	813	31	797
Those whose art provides their sole income	74	92	48	91	38	89
Those whose art does not provide their sole income	73	822	40	816	31	811
Those who have never been commissioned to create a work of art	74	259	37	259	28	262
Those who are an-	72	647	42	641	34	635

nually commis- sioned to create works of art						
Those who are an- nually commis- sioned to create more than fifteen works	72	47	50	46	41	46
Visual artists resid- ing in states with pre-VARA moral rights statutes	76	329	40	326	31	322
Visual artists resid- ing in states with pre-VARA moral rights statutes con- taining written waiver provisions	75	220	39	218	31	216

*Base excludes surveys which did not respond to the particular question being analyzed.

Appendix C

Tables of Responses for Frequency

Frequency of Waiver Clauses

<i>Category of Respondents</i>	<i>%</i>	<i>Base*</i>
<i>Respondents who have seen moral rights waiver clauses</i>	17	1019
<i>Those expressing an opinion who say that waivers are routinely included in artists' contracts</i>	7	489
<i>Those who have seen waivers and say they are routinely included in artists' contracts</i>	13	177
<i>Total Respondents who say waivers are routinely included in artists' contracts</i>	3	1017
<i>Respondents who say waivers are included in contracts for sales of existing artwork</i>	20	373
<i>VARA Artists who have waived moral rights</i>	8	955
<i>VARA Artists who know of other artists that have been asked to waive moral rights</i>	23	955

**Base excludes surveys which did not respond to the particular question being analyzed.*

Frequency of Written Contracts

<i>Base: 754*</i>	<i>%</i>
<i>Respondents who said oral contracts are most common in the art world</i>	61
<i>Respondents who said written contracts are most common</i>	39

**Base excludes surveys which did not respond to the particular question being analyzed, as well as those which responded "don't know."*

Appendix D

Tables of Responses for Effect of Waiver on Bargaining Position

<i>Category of VARA Artist</i>	<i>Willing to waive in future</i>			<i>Have turned down offer</i>		<i>Have in- sisted waiver be struck</i>	
	<i>yes</i>	<i>don't know</i>					
	%	%	Base *	%	Base *	%	Base *
Total VARA Artist respondents	8	42	888	13	862	14	869
Those whose art provides their sole income	9	34	90	34	89	30	91
Those whose art does not provide their sole income	8	43	781	11	769	12	772
Those whose art provides gross income exceeding \$25,000 annually	7	37	89	27	86	33	87
Those whose art provides gross income less than \$25,000 annually	8	43	779	12	768	12	772
Those represented by an agent or artists' representative	8	45	142	24	144	23	140
Those represented by a gallery	7	42	410	12	408	15	410
Those with no representation	9	42	406	14	395	12	398

Those who have waived moral rights in a signed contract	25	59	73	36	77	43	74
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*Base excludes surveys which did not respond to the particular question being analyzed.

Category of VARA Artists	Those Believing Rejection of waiver request means no deal			Those Pressured coerced into waiving	
	Yes	don't know			
	%	%	Base	%	Base
Total VARA Artists responding	17	69	857	6	881
Those expressing an opinion	55	n/a	269	24	144
Those who had seen contracts containing moral rights waiver clauses	43	30	144	24	144

Appendix E

Tables of Responses for Content of Waivers

<i>Respondents who had seen waivers and expressed an opinion as to:</i>	<i>%</i>	<i>Base *</i>
<i>Whether moral rights waivers encountered specifically identified the works and uses to which waiver applies</i>	60	151
<i>Whether moral rights waivers encountered sufficiently identified the works for which waivers are requested</i>	66	134
<i>Whether moral rights waivers encountered sufficiently identified the uses of the works for which waivers are requested</i>	46	136
<i>Whether contracts include a separate price for waivers</i>	35	136
<i>Whether waivers are usually limited in time</i>	26	95

**Base excludes surveys which did not respond to the particular question being analyzed, and those that responded "don't know" or "N/A."*

<i>Base: 111*</i>	<i>%</i>
<i>Respondents who say the right to integrity is waived more often</i>	43
<i>Respondents who say the right to attribution is waived more often</i>	34
<i>Respondents who say neither right is waived more often</i>	23

**Base excludes surveys which did not respond to the particular question being analyzed, and those that responded "don't know."*